

Los Angeles Live Steamers Railroad Museum Restated Articles of Incorporation and Bylaws

The undersigned certify that:

- 1. They are the President and the Secretary, respectively, of the Los Angeles Live Steamers Railroad Museum, a California Corporation;**
- 2. The Articles of Incorporation and Bylaws of this Corporation are amended and restated to read as follows;**

PREAMBLE

The Los Angeles Live Steamer Railroad Museum (LALSRM) was founded in 1956. During 1985, the IRS granted the LALSRM a non-profit public benefit Corporation tax designation. In 1994, the IRS granted a 501(c)(3) tax-exempt organization designation for the LALSRM to educate its Members and the Public:

- In the construction and operation of live steam engines and steam powered railroad locomotives and diesel and electric powered locomotives;
- By presenting interesting and educational information about locomotive and railroad operation, lore, and history with exhibitions of various types of live steam, diesel, and electric locomotives and rolling stock in operation on a large and realistic scale-model railroad;
- By offering regularly scheduled train rides to the Public for convenient viewing and discussion of the features of the large scale-model railroad;
- Through the construction, operation and demonstration of various historically significant museum displays and artifacts, including and not limited to scale-model and full-size railroad equipment, railroad rolling stock such as gondolas, flat cars, cabooses, special railroad riding cars, hopper and dump cars, stationary factory-type steam powered engines and devices, automatic electronic railroad traffic signal systems, steam traction engines and other related structures and devices

LALSRM is organized exclusively for educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

(Preamble Revised August 27, 2014 to comply with IRS 501(c)(3) Regulations)

ARTICLE I

GENERAL MEETINGS OF THE MEMBERSHIP

Section 1 - Place of Meetings

All Meetings of the Membership shall be held at the corporate facilities located at 5202 Zoo Drive, Los Angeles, California, 90027. Meetings may be held at another location when approved by the Board of Directors. *(Amended November 6, 2000)*

Section 2 - Annual General Meeting

An Annual General Meeting for the purpose of voting for new Members of the Board of Directors, to consider reports from the Board of Directors on the affairs of the Corporation, and to transact such other business as may be properly brought before the Membership, shall be held on the third Saturday of November of each year if not a legal holiday, and if a legal holiday, on the fourth Saturday of November. The time of the Meeting to be determined by the Board of Directors.

Section 3 - Special General Meetings

A special General Meeting may be called by the Board of Directors or by a written petition signed by not less than five (5) percent of the voting Membership.

Section 4 - Date of General Meetings

Except as otherwise specified by the Board of Directors, General Meetings of the Membership shall be held on the third Saturday of each month. *(Amended November 6, 2000)*

Section 5 - Notice of Meetings

Notice of the Annual General Meeting and any regular General Meeting or a Special Meeting at which a vote of the Voting Membership will be required shall be given to each Member by a notice sent no less than ten (10) days in advance of the meeting by any of the following means: electronically with return receipt requested; by regular U.S. Mail; by posting of said Notice in the Monthly LALSRM Newsletter. Notice shall be given by the Secretary or an alternative appointed by the Board of Directors. Each notice shall set forth the time and location of the meeting and shall describe the items requiring a vote of the Voting Members.

Section 6 - Quorum for Annual General Meeting

Not less than twenty-five (25) members, eligible to vote, shall be present in person or represented by absentee ballots to constitute a quorum for the election of new members to the Board of Directors.

Section 7 - Quorum for General or Special Meetings of the Membership

Those eligible to vote who are present, or represented by an absentee ballot, at any duly noticed regular General or Special meeting, except for the Annual General Meeting, shall constitute a quorum to vote on the subjects presented by the Board of Directors and included in the notice to Members of the meeting. *(Amended November 6, 2000)*

Section 8 - Voting Members and Voting Rights

Each paid-up Resident Member, or Honorary Member, shall constitute the Voting Membership of the Corporation. Each Voting Member shall be entitled to one secret ballot for the election of members to the Board of Directors or one vote on each subject brought before the General Membership for a general vote by the Board of Directors. *(Amended November 6, 2000)*

Section 9 - Majority of Votes

In all cases, except as otherwise specified, a simple majority of the vote taken shall decide the issue under consideration.

ARTICLE II BOARD OF DIRECTORS AND MANAGEMENT

Section 1 - Powers

Subject to the limitations of the Articles of Incorporation and Bylaws, and of the laws of the State of California as to the actions authorized or approved by the members of the Board of Directors, all Corporate powers shall be exercised by, or under the authority of, and the business and affairs of the Corporation shall be controlled by, a Board of Directors.

Except in case of repairs or emergencies, any material change to the physical shape of the Club facility, including without limitation, buildings, structures, track layout or Club boundaries, shall be approved by the Voting Membership at a duly called General Meeting or Special Meeting. Any such vote shall comply with the provisions of Article I. *(Amended November 16, 2002)*

Section 2 - Number and Qualifications of Members of the Board of Directors

The authorized number of Directors of the Corporation shall be eight (8) until changed by an amendment to Article II, Section 2, of these Articles of Incorporation and Bylaws, and adopted by a majority vote of the eligible voters present or absentee at a meeting of the General Membership where the amendment shall be an order of business. For a given year, four (4) Directors will be carried over from the previous year and four (4) Directors will be newly elected.

After completion of a full two (2) year term a Director will not be eligible for re-election for two (2) consecutive years. A Director who is appointed to fill a vacancy on the Board, as provided by these Articles of Incorporation and Bylaws, for a term of more than sixteen (16) months will not be eligible for re-election for one year. Service of less than six (6) months on the Board by an appointed Director shall have no effect on his eligibility for election to the Board the following year. Directors shall be Members in good standing, Resident or Honorary.

Section 3 - Election of Directors

A. Nominating Committee

Three (3) active and paid-up Resident Members, or Honorary Members, shall be appointed by the Board of Directors to serve as a Nominating Committee. The selection by the Board shall be prior to, and announced at, the August General Meeting. The committee shall canvass the Membership for candidates who express their willingness to serve as Directors if elected and who meet the qualifications of Section 2 above. The committee shall submit a slate of at least eight (8) names of candidates to be presented at

the September General Meeting and submitted to the Secretary no later than September 23 of that year.

B. Nominations by the General Membership

At the September General Meeting, the President shall open the meeting to nominations from the floor. Each nomination must be seconded and persons so nominated must meet the qualifications of Section 2 above.

C. Ballots

The Secretary shall prepare ballots containing all ballot measures, the names of all Nominees received from the Nominating Committee and from the floor nominations. Ballots shall be mailed to all voting Members by the Secretary during the first week of November of each year as part of the Meeting Notice in order to permit adequate time for absentee voting. Each ballot shall contain the names of at least eight (8) candidates but no more than ten (10) percent of the total registered membership. Additional ballots shall be made available to those eligible voters present at the Annual Meeting who do not have their mailed ballots with them.

D. Absentee Ballots

Absentee Ballots may be cast by returning the ballot to the Secretary in a sealed envelope marked on the outside with the word BALLOT, along with the members printed name and signature.

E. Election of Directors

The vote for four (4) new members of the Board of Directors shall be the first order of business at the Annual General Meeting. Unopened absentee ballots shall be brought to the meeting by the Secretary after verification of the names of the absentee voters as eligible voters.

F. Certification of Election of Members to the Board of Directors

An Election Committee, composed of any four (4) Members in good standing who are not candidates on the ballot, shall be appointed by the President immediately after completion of the vote. The ballots of voters present and absentee shall be opened and counted by the Election Committee. After the tally is completed, the results shall be posted for those present to see. The candidates shall be listed in the order of their number of votes with the highest number at the top and the lowest number at the bottom. The top four (4) names shall be declared by the President to be the Directors elect for the following year. The posted list shall be made a part of permanent records of the Corporation. *(Sec. F Amended November 6, 2000)*

G. Tenure of Office of a Director

The term of office for an elected Director shall be two (2) years from his installation at the December General Meeting following the election, or until his successor is installed in office.

H. Replacement of Directors

In the event of subsequent vacancies on the Board, for any reason, consideration shall be given, for the appointment of successors by the Board of Directors, in the same order of preference as shown by the General Membership in the most recent election of Directors. A quorum shall consist of five (5) Board Members, or all remaining Board Members if less than five remain. A Director so selected shall serve for the remainder of the vacant term.

Section 4 - Organizational Meetings of New Board of Directors

The first organizational meetings of a new Board of Directors shall be held at a convenient time after the election in November and before the General Meeting in December. At the first organizational meeting, the Officers of the Corporation shall be elected by the eight (8) Directors concerned. The results of the election shall be announced and the new Directors and officers installed at the December General Meeting. Additional organizational meetings may be held by the new Board of Directors at its own discretion and as often as necessary, without notice to anyone else, until the time of official installation. The new Officers shall preside at the meetings and minutes may be taken, but no acts, including minutes taken, shall be official business and shall not be recorded in the official papers of the Corporation. Publication of intentions to General Members, or any other means of notification thereof, shall constitute the limit of authority of the new Board of Directors prior to official installation, but ratification of intended acts may be accomplished immediately after installation.

Section 5 - Place of Meeting of the Board of Directors

The President shall announce the place of each meeting of the Board of Directors to the Directors and to any interested Member who wishes to attend. The President shall have the option of limiting the number of visitors to suit the space available, but in no case shall visitors be limited to less than two (2).

Section 6 - Date of Meeting of the Board of Directors

The Board of Directors shall, as far as possible, meet on the second Monday preceding each regular General Meeting. Additional meetings of the Board may be called from time to time as deemed necessary by the President. *(Amended November 6, 2000)*

Section 7 - Separate Special Meetings of the Board

Special meetings of the Board of Directors shall be called by the President at the request of any two (2) Members of the Board. One-day notice shall be given to each Member of the Board of such Special Meeting.

Telephone meetings of the Board may be arranged in an emergency and business may be transacted provided all Members consent in writing at the next regular Board Meeting. Such written consent shall be included in the minutes of the next regular meeting of the Board of Directors, along with the minutes of the Telephone meeting.

Section 8 - Quorum of the Board of Directors

A simple majority of the total number of Directors specified for the Board of Directors by these Articles of Incorporation and Bylaws shall constitute a quorum for the conduct of official

business of the Corporation. The President, or official alternate, shall conduct any meeting of the Board of Directors where official business of the Corporation is transacted.

Section 9 - Agenda for Meetings of the Board of Directors

An Agenda covering all points to be presented, received, or discussed at the Board meeting concerned shall be furnished to each Director by the President, or his alternate, prior to assembly for the meeting. The agenda shall list reports from the Secretary, Treasurer, and Chairman of each of the standing committees. Old and New business shall be listed and identified. All current business aspects of the Corporation shall be discussed as much as time permits.

Section 10 - Resignation or Removal of Directors

Any Director may resign from the Board of Directors at any time by giving written notice to the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice by the Secretary or later specified therein. Any Director may be removed from the Board by a recall vote of the General Membership at any General Meeting when advance notice of such intent has been made at the previous General Meeting by presentation of:

- (i) A recall petition signed by a majority of the eligible voters of the Corporation, or,
- (ii) A resolution by a majority of the Board of Directors.

Recall shall be effected upon a two-thirds (2/3) affirmative vote of the Corporation's total eligible voting membership. Voting procedures shall be the same as for the Annual General Meeting.

ARTICLE III OFFICERS

Section 1 - Officers of the Corporation

The Officers shall be President, Vice-President, Secretary, and Treasurer. The Officers shall be elected by, and from among, the Board of Directors of the year in which the Officers will serve. The offices of President and Vice-President, or President and Secretary, or President and Treasurer, may not be held by one Director. However, the offices of Vice-President and Treasurer may be held by one Director.

Section 2 - Removal or Resignation from Office

Any officer may be removed from office, either with or without published cause, by a vote of the Directors at any regular or special meeting of the Board of Directors. Any Officer may resign from office at any time by giving written notice to the Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or later specified therein.

Section 3 - President of the Corporation.

The president shall be the chief executive officer of the Corporation, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and affairs of the Corporation, shall preside at all meetings of the General Membership and at all meetings of the Board of Directors, shall be, ex-officio, a member of each of the standing

committees, shall have the general powers and duties usually vested in the offices of President of a Corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Articles of Incorporation and Bylaws.

Section 4 - Vice President of the Corporation

The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties, as the Board of Directors shall prescribe.

Section 5 - Secretary of the Corporation

The Secretary shall keep, or cause to be kept, a book of minutes of the official meetings of the Board of Directors. The minutes shall include the time and place of each meeting; a list of the names of those present; a description of the business items discussed, and decisions reached; the Treasurer's Report, and any other items pertinent to the historical record of the Corporation. The Secretary shall receive from the Membership Committee Chairman at the end of each year a complete Membership Registration for that year which shows the same type of information as that listed in the yearly Los Angeles Live Steamers Railroad Museum Roster. The Secretary will keep the Membership Register in the permanent records of the Los Angeles Live Steamers Railroad Museum. The Secretary shall keep the Seal of the Corporation and shall affix the Seal to all documents requiring a Seal. The Secretary shall have all such other powers and perform all such other duties as may be prescribed by the Board of Directors or the Articles of Incorporation and Bylaws, and shall file all forms as required by the State of California and the Internal Revenue Service.

Section 6 - Treasurer of the Corporation

- A. The Treasurer shall receive, record, and deposit in a corporate checking account all incoming funds of the Corporation, and shall pay them out by check as required by these Articles of Incorporation and Bylaws. A complete and detailed account of all receipts and disbursements shall be kept by the Treasurer, and shall be presented to the Board of Directors at each official meeting of the Board. The Treasurer shall prepare a general budget for presentation and ratification at the February meeting of the Board. The Treasurer shall prepare and distribute to each director at each meeting of the Board of Directors a summary balance sheet and a detailed report of income and expenditures that will show expenditures and available funds in each category of the general budget.
- B. The treasurer shall have the responsibility of ensuring compliance with all of the requirements of all tax and financial laws that apply to the Corporation. Tax returns and associated documents required by the State of California Franchise Tax Board, the Internal Revenue Service, and other governmental agencies shall be prepared by a California licensed Certified Public Accountant and shall be presented to the Board of Directors for approval and signature by the President of the Corporation within the time constraints of each said agency. All required forms and documents shall be promptly sent to such agencies and duplicate copies of said forms and documents shall be filed in the Corporation's Business Office. Complete, accurate, and timely preparation and transmittal of all required forms and documents are essential high-

priority functions of the Treasurer of the Corporation and may not be assigned to an Assistant without approval by a 2/3 majority vote of the Board of Directors.

Section 7 - Assistants to the Officers

The Board of Directors may appoint Assistants to any Officer as required. The Assistants may exercise only those powers of the Officers they assist as provided in these Articles of Incorporation and Bylaws and that are specifically designated and approved by a 2/3 majority vote of the Board of Directors.

Section 8 - Subordinate Officers

The Board of Directors may appoint such subordinate officers or agents as the business of the Corporation may require, and shall fix their terms of office up to a limit of the end of each calendar year or until a successor is appointed.

A. General Superintendent of the Corporate Facility

The General Superintendent will be responsible for the construction and maintenance of all corporate owned or controlled facilities and equipment except as otherwise specified by the Board of Directors, shall organize the work crews required to carry out the construction and maintenance of facilities and equipment under his jurisdiction and as required by Facility Change Requests which have been approved by the Board of Directors. The General Superintendent will be required to give a monthly report of activities under the Superintendent's jurisdiction to the Board of Directors at the Board Meeting. The General Superintendent will be considered as the Chairman of the Facilities Construction and Maintenance Committee.

B. Chairman of the Membership Committee

The Chairman of the Membership Committee may appoint two members to the Committee subject to approval of the Board of Directors. The Chairman and/or appointees shall interview prospective General Members to determine their qualifications. The Chairman shall present the names of qualified applicants to the Board of Directors for approval and shall introduce each new Member to the General Membership at the first meeting attended by the new member. The Chairman shall keep, or cause to be kept, at a place approved by the Board of Directors, a Membership Register showing the name of each member, address with a zip code, telephone number with area code prefix, occupation, date of becoming a Member, type of equipment under construction or completed, and type of personal activity, if any, preferred at the Los Angeles Live Steamer's Facility. The Chairman shall issue an identification card each year to each Resident, Non-Resident, Honorary, and Special Member. The Chairman shall receive all Membership fees and dues collected and shall turn the money over to the Treasurer of the Corporation. In the event of the temporary absence of the Chairman from the Los Angeles area for any reason, the Chairman shall appoint one of the Members of the Membership Committee, or a temporary assistant, to be acting Chairman. The Chairman of the Membership Committee shall, at the end of each calendar year, submit a complete Membership Register, with the same type of Membership information as that published in the LALSRLM Roster, to the Secretary for inclusion in the permanent records of the Corporation.

C. Chairman of the Program Committee

The Chairman of the Program Committee shall be responsible for arranging any entertainment and refreshments available for the General Meetings. The Chairman shall also arrange for the place of the meetings and cleanup of the area following the meeting. The Chairman shall arrange for assistants as required.

D. Chairman of the Facilities Planning Committee

The Chairman of the Facilities Planning Committee shall be responsible for the planning of Facility additions, removals, and modifications with respect to right-of-way, tracks, buildings, air, water and electrical systems, public accommodations, parking, and beautification of the Facility, shall be responsible for proposals in the form of sketches, layout drawings, mockups, models, and any other medium that will allow an accurate review of a facility change by the Board of Directors, and as required, by the General Membership. The Chairman of the Facility Planning Committee shall process in conjunction with the General Superintendent, all Facility Change Requests (FCR) submitted by any Member before presentation to the Board of Directors for consideration and possible approval. The Facility Planning Committee shall consist of the Chairman and two (2) members. One member shall be the General Superintendent and the other member shall be appointed by the Board of Directors,

E. Chairman of the Publicity Committee

The Chairman of the Publicity Committee shall be responsible, subject to approval by the Board of Directors, for the improvement of the corporate image in the eyes of the public. The Chairman may send photos and write-ups to news media as approved by the Board and may submit proposals on Facility Change Requests for improving the physical appearance of the Facility to the public. With the approval of the Board of Directors, the Chairman may invite the news media to the Facility and obtain cooperation from the General Members in providing the best possible photo coverage. The Chairman may also serve as Official Photographer and as Corporate Historian at the discretion of the Board of Directors and may have assistants, as required, appointed or approved by the Board of Directors.

F. Chairman of the Safety Committee

The Chairman of the Safety Committee shall be responsible for the inspection and operation of all equipment at the Club Facility, in accordance with the Safety and Operating Rules and the Articles of Incorporation and Bylaws of the Corporation, shall be responsible for the enforcement of the Safety and Operating Rules, and may appoint such assistants, with the approval of the Board of Directors, as may be necessary to carry out such inspections and enforcement. The Chairman shall see that each new member is issued a set of Safety and Operating Rules, shall see that all visiting engineers to the Club Facility have a set of Safety and Operating Rules available to them while operating equipment within the Facility, shall see that Safety and Operating Rules are conspicuously posted at all times at the Facility, and shall ascertain that all operating personnel are qualified for the position they occupy and its responsibilities.

G. Chairman of the Standards Committee

The Chairman of the Standards Committee shall periodically submit to the Board of Directors reviews and recommendations for adoption or rejection of mechanical designs and configurations of railroad hardware such as wheel profiles, rail gauge and flangeway dimensions, trackside and overhead clearances, coupler plan view dimensions and height above railhead, braking systems, and any other items judged by the Board of Directors to qualify for application of Standards. Items proposed for standardization may be submitted by General Members or generated within the Standards Committee.

H. Chairman of the Operations Committee

The Chairman of the Operations Committee shall periodically submit to the Board of Directors reviews of all phases of equipment operation at the Facility with recommendations for changes that are intended to improve the physical operations at the Facility in a safer, or more reliable, or more economical manner. Each FCR submitted to the Facility Planning Committee that may affect the physical operations at the Facility shall be forwarded to the Operations Committee for Study. An operations impact review of the FCR shall be returned to the Facility Planning Committee for presentation to the Board of Directors with the FCR. Changes to the LALS RM Safety and Operating Rules shall be reviewed by the Operations Committee.

I. Appointment of Temporary Committees

The Board of Directors may appoint such temporary committees as may be necessary from time to time. The authority of each committee and the number of members per committee shall be decided by the Board and in accordance with the provisions stated in these Articles of Incorporation and Bylaws.

ARTICLE IV CORPORATE BUSINESS RECORDS AND EXPENDITURES

Section 1 - Records

The Corporation shall maintain adequate and correct accounting records of its business and properties and the actual receipts for all expenditures. All of such books and receipts shall be kept at a place designated by the Board of Directors, and available for inspection, on demand, by any regular Member. At no time shall such books and receipts be moved from their designated location except by order of the Board of Directors. The original of these Bylaws, or an exact copy thereof, as amended and brought up to date by the Secretary, shall be available, on demand, for inspection by any member. The Board of Directors shall review the need for secure off-site storage of the critical records of the Corporation and shall make such arrangements, as it deems appropriate.

Section 2 - Checks to Pay Corporate Indebtedness

Payment of money for notes, bills, statements, or other forms of approved Corporate indebtedness shall be made by check only from an account carried under the name of "Los Angeles Live Steamers Railroad Museum" as clearly imprinted on each check. Any two (2) of

the three (3) authorized signatures must appear on each check. Two (2) of the authorized signatures are the Treasurer and the President. The third signature, when required, may be any other qualified Board Member. Any expenditure must have the approval of the Board of Directors prior to the expenditure of any money whatsoever. At no time shall expenditure commitments be made unless sufficient funds exist to cover it. Any expenditure over five hundred dollars (\$500) shall be preceded by competitive bids before vendor selection is made by the Board of Directors. Competitive bidding may be suspended by a majority vote of the Board of Directors if emergency conditions at the Corporate facility require immediate attention.

Section 3 - Execution of Contracts

The Board of Directors, except as otherwise specified in these Articles of Incorporation and Bylaws, may authorize an Officer of the Corporation, or any agent or agents of the Corporation, to enter into a contract or execute an instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, however, no Officer of the Corporation, nor agent or member, shall have any power or right to bind the Corporation by, or to, any contract or agreement, or to pledge its credit, or to render it liable for any purpose or for any amount.

Section 4 - Fund For Track Relocation *(Added July 2000)*

A. Fund Established

In order to provide money for the possible need to relocate track west of the tunnels to accommodate the construction of a railroad extending from Travel Town eastward towards the Los Angeles Zoo there is hereby established a special fund to be designated hereinafter as the "Tehachapi Loop Account".

B. Separate Account

Money for the Tehachapi Loop Account shall be maintained separate from all other funds of the Corporation and shall be deposited in an interest bearing account. Funds shall remain in this account until authorized to be removed in the manner set forth in Subsection (E) below. In order to obtain the greatest possible return on invested money, the Board of Directors may authorize the relocation of the Tehachapi Loop Account from one institution to another.

C. Source of Funds

The Board of Directors shall annually allocate money from the Corporation's general funds to the Tehachapi Loop Account in an amount equal to not less than two thousand dollars (\$2000.00). Any donations received by the Corporation that are specifically designated for the Tehachapi Loop Account shall not be included in the two-thousand dollar (\$2000.00) annual minimum allocation.

D. Annual Report

The Treasurer shall provide the Board of Directors with an annual report at their December meeting showing both the total amount in the Tehachapi Loop Account and the amount attributed to the Tehachapi Loop Account during the preceding twelve (12) months.

E. Removal of Money from the Tehachapi Loop Account

Money may be removed from the Tehachapi Loop Account as set forth below:

(i) Relocation of Track

Money may be removed from the Tehachapi Loop Account for the purpose of track relocation as described in Subsection (A) above. Authority to remove money from the Tehachapi Loop Account for the purpose of track relocation shall require an affirmative vote by not less than six (6) members of the Board of Directors.

(ii) Other Expenditures

Money may be removed from the Tehachapi Loop Account for purposes other than track relocation when determined necessary by the Board of Directors and approved by the Voting Membership. Approval by the Voting Membership shall be in the same manner as required for amendments to the bylaws as set forth in Section 2 of Article X. *(Sec. E Amended July 15, 2000)*

Section 5 - Distribution of Assets

Upon the dissolution of this organization, assets remaining after payment or provision for payment of all debts and liabilities of the Corporation shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

(Added November 1993. Section number revised July 2000. Section Revised August 27, 2014 to comply with IRS 501(c)(3) Regulations)

ARTICLE V MEMBERSHIP

Section 1 - Eligibility for Membership

Any person interested in the purpose of the Corporation as specified in the Preamble of the Restated Articles of Incorporation and Bylaws is eligible for membership.

Section 2 - Prospective Members

Prospective Members shall be sponsored by at least two (2) members in good standing.

Section 3 – Consideration

Applications of all prospective Members shall be referred to the Membership Committee for consideration.

Section 4 - The Decision of the Acceptability of an Applicant

The acceptance of an applicant for Membership will be subject to ratification by the Board of Directors after approval of the applicant by the Membership Committee.

Section 5 - Closing and Reopening Membership

Membership may be closed with good cause to prospective new Members and reopened later only by a majority vote of the Resident and Honorary General Membership.

Section 6 - Suspension or Expulsion from Membership

Any member may be suspended or expelled from Membership in the Corporation for good cause by a two-thirds (2/3) majority vote of the resident and Honorary General Membership after due consideration.

Section 7 - Notification of Suspension or Expulsion

A member who is being considered for suspension or expulsion shall be notified in writing to that effect by the Secretary at least ten (10) days prior to the General Meeting at which the case is to be considered. The Secretary shall also notify the General Membership of the consideration in the Notice of the Meeting. *(Amended July 15, 2000)*

Section 8 - Reinstatement to Membership

A Member who has been suspended or expelled from Membership for good cause may later be reinstated by a two-thirds (2/3) majority vote of the Resident and Honorary General Membership. The regular initiation fee and annual dues will be charged in the same manner as for a new member. Any former member who, for any reason other than suspension or expulsion, is absent for a period not exceeding four years, may be reinstated at the discretion of the Board of Directors without payment of an initiation fee or back dues. Current dues must be paid with the application for reinstatement, as shown for new Members.

Section 9 - Liability of Members

Members shall not be personally liable for the debts, liabilities, or obligations of the Corporation.

Section 10 - Liabilities of Officers and Directors

Officers and Directors shall not be personally liability for the debts, liabilities of obligations of the Corporation.

Section 11 - Resident Membership

A Resident Member shall be one who resides within a 60 statute mile radius from the Los Angeles Live Steamers Railroad Museum Facility.

Section 12 - Non-Resident Member

A. Definition of a Non-Resident Member

A Non-Resident Member may be one who resides sixty (60) statute miles or more from the Los Angeles Live Steamers Railroad Museum Facility but who meets all qualifications otherwise for Resident Membership.

B. Restrictions of Privileges

Non-Resident Members shall not have the privilege of voting, but will be allowed all other Membership benefits, except as otherwise provided.

Section 13 - Honorary Membership

A. Eligibility

Any person who owns and operates a live steam locomotive and/or a live steam farm tractor, and/or a live steam stationary engine, of 3/4 inch to the foot scale or larger, and/or who has made an outstanding contribution to the Los Angeles Live Steamers Railroad Museum, or to the Fraternity of Live Steam Hobbyists, may be eligible for nomination as an Honorary Member of Los Angeles Live Steamers Railroad Museum.

B. Nomination Investigation and Election

Any Member in good standing may nominate a prospective Honorary Member by submitting the qualifications of the nominee to the Secretary. The Board of Directors shall appoint a committee of three Members in good standing, excluding the sponsor of the nominee, to investigate the qualifications of the Nominee. The findings of the Committee shall be presented to the Board of Directors for further consideration and possible presentation to the General Membership. A three-fourths (3/4) majority vote of the General Membership shall be required to elect a Nominee to Honorary Membership.

C. Privileges

Honorary Members shall have all of the privileges of a Resident Member.

Section 14 - Special Members

A. Definition of a Special Member

By a majority vote of the Board of Directors, Special Membership may be conferred on qualified persons who actively promote the Live Steam Hobby or who perform unique services on behalf of the Los Angeles Live Steamers Railroad Museum.

B. Rights of a Special Member

Special Membership shall have the same rights as a Non-Resident Member.

Section 15 - Charter Members

Charter Members are founding members of the Los Angeles Live Steamers Railroad Museum. *(Added November 1993)*

Section 16 - Junior Members

A Junior Member must be fourteen (14) years old and less than eighteen (18) years old. When the Junior Member reaches eighteen (18) years of age, the Resident Member dues payment schedule goes into effect, except that the current year's dues may already have been paid. The initiation fee normally required for new Resident Members shall be waived. A Junior Member must be sponsored by a Resident Member in good standing who is willing to instruct and be responsible for the Junior Member. *(Amended November 1995)*

ARTICLE VI INITIATION FEE AND DUES

Section 1 - Resident Members

A. Initiation Fees

The initiation fee shall be one hundred dollars (\$100.00) payable in advance of admission of a candidate to General Membership as a Resident Member. The initiation fee may be waived under reciprocal membership agreements with clubs as approved by the Board of Directors. (Note: Such an agreement exists with the Southern California Live Steamers.)

B. Annual and Monthly Dues

The annual dues shall be one hundred dollars (\$ 100.00) if paid prior to March 31 of the year concerned. The rate shall be eighty-five dollars (\$85.00) if joining during the second calendar quarter, seventy dollars (\$70.00) during the third quarter, and fifty-five dollars (\$55.00) during the fourth quarter. All dues are payable to the Secretary, or an alternate appointed by the Board of Directors, if paid by mail. Payments in person shall be by cash, credit card, check, or money order to a Collector appointed by the Board of Directors.

C. Special Hardship Consideration

Members who are on low fixed incomes, engaged in active military service, full time students, and other special hardship situations may apply to the Board of Directors for a special annual rate of \$20.00. Such application shall be made each year.

D. Notification of Delinquent Members

The Chairman of the Membership Committee shall send a written notice to any member on the roster who has not paid his annual dues by February 1 of the year concerned. The notice shall call attention to the Articles of Incorporation and Bylaws, Article VI, Section 1, Paragraph E. No further notice will be given.

E. Dropping of Delinquent Members

Any Member on the Roster, except Honorary Members, whose dues for that year are not paid by February 1 of that year, shall be dropped from membership unless the member notifies the Chairman of the Membership Committee in writing, of financial hardship prior to February 1 of the year concerned. After such notification, the member will be granted an extension of time to July 1 of the year concerned to make his payment in full, but not have any voting rights during the period of grace.

F. Reinstatement of Delinquent Members

A dropped member seeking reinstatement shall pay the initiation fee and dues in the same manner as defined for new members in these Articles of Incorporation and Bylaws except as provided in Article V, Section 8.

Section 2 - Non-Resident Members

No initiation fee shall be charged to Non-Resident Members. Dues shall be thirty dollars (\$30.00) per calendar year payable in the same manner as Resident Member dues. If joining in the second quarter of the membership year, the dues are \$25.50; third quarters are \$21.00, and fourth quarters are \$16.50.

Section 3 - Junior Members

No initiation fee shall be charged to Junior Members. Dues shall be twenty dollars (\$20.00) per calendar year payable in the same manner as Resident Member dues.

Section 4 - Honorary Members

Honorary Members will not be required to pay an initiation fee or annual dues.

Section 5 - Special Members

Special Members will not be required to pay an initiation fee or annual dues

Section 6 - Charter Members

Charter Members are not required to pay dues. *(Added November 1985)*

**ARTICLE VII
RESPONSIBILITIES OF PARTICIPANTS**

Any person involved or participating in any activity or event whatsoever at the Corporate Facility shall be considered as acting with full cognizance of the applicable portions of these Articles of Incorporation and Bylaws and the Safety Rules and Operating Regulations of the Corporation and therefore shall be bound to abide by them.

**ARTICLE VIII
SAFETY RULES**

The Board of Directors shall promulgate Safety Rules and Operating Regulations governing the operation of all equipment located at the Facility and shall revise and update them as required. A copy of the Safety Rules and Operating Regulations shall be issued to each new member; shall be issued to current members upon request, shall be conspicuously posted at the Corporate Facility at all times; and shall be appended to these Articles of Incorporation and Bylaws in the files maintained in the Corporation's Business Office .

**ARTICLE IX
CORPORATE SEAL**

The Corporate Seal shall be circular in form, and shall have inscribed therein the name of the Corporation, the date of incorporation, and the words "California Corporation."

ARTICLE X

AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS

Section 1 - Amendments by the Membership

Incorporation and Bylaws may be repealed and replaced or modified, in part or in whole, at any General Meeting where advance notice of such intent has been given following the filing of a petition with the Secretary that is signed by a majority of the General Resident and Honorary Membership. A quorum of at least twenty-five (25) members eligible to vote shall be present or represented by absentee ballots to vote on the proposed changes to the Articles of Incorporation and Bylaws. A two-thirds (2/3) majority of the vote shall be required for adoption of the proposed changes.

Section 2 - Amendments by the Board of Directors

Subject to approval by a two-thirds (2/3) majority vote of a quorum of at least twenty-five (25) Members eligible to vote in person or represented by absentee ballots at a General Meeting where advance notice of such intent has been given, the Board of Directors may adopt, repeal, or amend any Articles of Incorporation and Bylaws other than an amendment changing the authorized number of Directors on the Board of Directors.

Section 3 - Record of Changes to the Bylaws

When a change to the Articles of Incorporation and Bylaws is adopted, it shall be recorded, with the date of adoption, in the Book of Bylaws in the appropriate place. When the Articles of Incorporation and Bylaws is repealed, the fact of repeal, with the date, shall be recorded in the Book of Bylaws. The adopted new or the amended and revised Articles of Incorporation and Bylaws shall be promptly filed with the California Secretary of State and when the certified copy of the Articles of Incorporation and Bylaws are received by the Corporation, they shall be filed in the Corporation's Business Office.

ARTICLE XI

MEMBERSHIP ROSTER AND BULLETIN

Section 1 - Membership Roster

As soon as possible each year, after February 1, a Membership Roster shall be printed and distributed to all members. The Roster shall contain the names and titles of all Officers, the names of the Directors, a list of all Standing Committees and the Chairman and Members thereof, the titles and names of Safety and Security personnel, the name of each Member, and the years of membership, address and zip code, phone number, listing of equipment under construction and/or operating, as space permits, a page of recommended wheel gauge and coupler dimensions, and a list of basic Safety Rules. Several blank pages shall be furnished, if possible, for written data, addresses, names, etc.

Section 2 - Club Periodical Bulletin

A monthly bulletin shall be published and distributed to all Members of the Los Angeles Live Steamers Railroad Museum. It shall contain reports of club activities to the extent allowed by the operating Budget, a calendar of coming events, including time and place of regular Board Meetings, and ballots for regular and special elections. Technical articles and articles of general interest to the membership may be published at the discretion of the editor of the bulletin to the extent allowed by the operating budget. *(Amended November 1995)*

Certification by President and Secretary *(Continued from Page 1)*

- 1. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the Board of Directors;**
- 2. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of the member;**

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: _____

Les Kovacs, President

Nick Suncin, Secretary