

# BYLAWS OF THE NORTH TEXAS COUNCIL OF RAILROAD CLUBS

## ARTICLE 1 DEFINITIONS

**CLUB:** A Club is defined as an organization of members interested and involved in some aspect of railroading, including prototypical, historical, and modeling.

**DESIGNATED REPRESENTATIVE:** The person designated by a Club to represent the interests of that Club in all matters pertaining to the Council. A person shall be a Designated Representative for only one Club.

**AUTHORIZED PROXY:** In the absence of the Designated Representative at a specific Council meeting, a proxy, designated in writing, may be authorized to act on behalf of the Designated Representative in all matters pertaining to the Council.

**DUES:** Annual dues, in the amount determined by the Board of Directors, maintain a Club's membership in the Council. Each Club shall pay annual dues at the beginning of each show season.

**SHOW SEASON:** The show season is defined as the months surrounding the planning and production of the exhibitions sponsored by the Council. The show season begins on February 1 and closes on the following January 31.

**SHOW SHARE:** An amount of money, as determined by the Board of Directors, which forms the initial capitalization for each show produced by the Council.

**SHARE VALUE:** The value of each show share as calculated and distributed for each Club's level of participation throughout the show season. The formula is discussed in detail below.

## ARTICLE 2 BOARD OF DIRECTORS

**RESPONSIBILITIES:** The Board of Directors shall manage the affairs of the Council.

**COMPOSITION:** The Board of Directors shall be composed of the officers and three directors.

**QUALIFICATIONS:** Each member of the Board of Directors shall be a Designated Representative of an Active Club.

**ELECTIONS AND TERMS:** The terms and elections for directors, including the filling of vacancies, shall be identical to those for the Council Officers stated in the Constitution.

**MEETINGS:** Meetings of the Board may be held from time to time as necessitated by the business of the Council. An annual meeting of the Board of Directors shall be convened at the beginning of each show season. All meetings of the Board of Directors shall be held without further notice other than regulated in these Bylaws.

**QUORUM:** A majority of the directors shall constitute a quorum for the conduct of business at any Board of Directors meeting. If no majority is present, the meeting will be adjourned until such time as a quorum is present.

### **ARTICLE 3 MEMBERSHIP CRITERIA**

**CRITERIA:** For a Club to be considered for membership in the Council, it shall meet the following criteria:

- A. Have a minimum membership of five current members;
- B. Meet regularly throughout the year;
- C. Have a written document of organization, such as a charter or bylaws.

Each Club shall provide the following information to the Council Secretary at the beginning of each show season:

- A. Name and address of the Club;
- B. Copy of the current Club roster and officers;
- C. Name and contact information for the Designated Representative;
- D. Schedule of meetings for the year;
- E. Copy of the Club's current document of organization.

**FIRST YEAR MEMBERSHIP:** A Club may make application at any time to join the Council. The application must include all of the information listed above as well as a non-refundable application fee in the amount determined by the Board of Directors.

Upon approval by the Board of Directors, active membership, as defined below, will start at the beginning of the following show season as long as the Club has satisfied all the requirements and has provided representation by a Designated Representative or Authorized Proxy at all the preceding monthly Council meetings.

**ACTIVE MEMBERSHIP:** For a Club to be considered an Active Club, it shall have met all the criteria listed above and paid the annual dues. In addition, the Club will have provided representation by a Designated Representative or Authorized Proxy at each of the monthly Council meetings during the show season.

**PROBATIONARY STATUS:** A Club that has not met the criteria listed above or has not paid the annual dues shall be placed on probation until the criteria have been met and/or the dues have been paid. If a Club fails to provide representation by a Designated Representative or Authorized Proxy for one of the monthly Council meetings during the show season, the Club shall be placed on probation. The Board of Directors may consider an exemption due to extenuating circumstances. The Board of Directors decision is final. The Council Secretary shall notify the Club of the probationary status.

**DISQUALIFICATION:** A Club's membership in the Council shall be forfeited if it has not met the criteria listed above and/or paid the annual dues. If a Club fails to provide representation by a Designated Representative or Authorized Proxy for more than one of the monthly Council meetings during the show season, the club shall be disqualified. All monies, including show share purchases, and/or expected disbursement of show shares, and/or dues, shall be forfeited. The Council Secretary shall notify the Club of the disqualification.

**REINSTATEMENT:** A disqualified Club may apply for reinstatement to the Council at any time. The Club will be recognized as if it were a First Year Club and must conform to requirements pertinent to a First Year Club.

#### **ARTICLE 4 ANNUAL SHOW PARTICIPATION**

**GENERAL:** The Council sponsors two shows each season, one in the Fort Worth area and one in the Dallas area. Each Active Club indicates their intention of participating in the show season and purchasing shares to the Board of Directors at the beginning of each new show season.

**BENEFITS:** The benefits of investing in the show season are as follows:

A. Share Participation – The benefit of participating in the share purchase is the receipt of a percentage of any return realized by the Council throughout the show season. Labors in support of this benefit constitute 80% of a Club’s return, as explained below.

B. Show Participation – The benefit of participating in the show season is the sponsorship and promotion of the model railroading interests shared by the Council membership. Activities in support of this benefit constitute 20% of a Club’s return, as explained below.

**CAPITALIZATION:** Capitalization for the show season is accomplished through the sale of show shares to the Active Clubs at the beginning of each season. Each Active Club is entitled to purchase no more than two shares for each show season. The Board of Directors shall determine the cost of each share by calculating the financial requirements for leasing each show venue for the show season, divided by the number of shares committed.

**RESPONSIBILITIES:** Participation in the show season by investing in show shares accrues several responsibilities concerning the planning, operation, and completion of the show season activities for each Club. Each show share involves hours of labor in support of these activities. The number of hours is determined each show season by dividing the total number of hours required by the number of show shares. Work hours are then equitably assigned and/or allocated to each Club by the Board of Directors, but coordinated with the Clubs to the maximum extent possible.

**OTHER PARTICIPATION:** From time to time, a Club may perform other volunteer labors or activities in support of the show season. These hours do not apply to the show share requirements but should be coordinated with the show planning committee.

**CALCULATIONS:** The dollar value of each show share is calculated by dividing the net income from the total show returns by the number of shares sold. The result is the dollar value of a 100% share.

**MAXIMUM SHARE VALUE:** The Maximum Share Value is 100% and is composed of:

A. Basic Share(s) Value - which equals 80% of the total share(s) value. This requires hours of labor equal to the number of hours assigned and/or allocated by the Board of Directors.

B. Added Share(s) Value – which equals 20% of the total share(s) value. This is the sum of self-elected activities, over and above the hours of labor, which increase the quality of the show experience for all participants. The Added Share(s) Value categories and added values per category are as follows:

1. Modular Layout Display at a show requiring continuous manpower for operation adds 10%.
2. Club Layout on the Layout Tour Schedule for a minimum of eight hours during a show adds 10%.
3. One hour Model Train Clinic or demonstration adds 5%.
4. Other manned railroad exhibit or display at a show adds 5%.

**PENALTIES:** Each Club is responsible for insuring all of their assigned tasks are completed in a conscientious and timely manner. The Assistant Show Manager at each show is responsible for monitoring the duty assignments. In the event a Club fails to perform one or more of the duties in a timely manner, the Assistant Show Manager will notify the Designated Representative, or other Club member, of the delinquency. Should the Club fail to respond promptly, another Club will be recruited to fill in the work hours. The delinquent Club will be fined in an amount determined by the Board of Directors. The fine will be deducted after determination of that Club's show share. The assisting Club will be remunerated in an amount determined by the Board of Directors. The remuneration will be added after determination of that Club's show share.

**DISTRIBUTION OF SHARES:** After all expenses have been paid for the show season, the Board of Directors will distribute the net proceeds of the show monies as described below.

- A. The Council will pay 100% of each Club's initial share investment. If insufficient funds are available, the pay out will be prorated for all the shares.
- B. Any remaining funds will be paid according to each Club's show participation as described above.
- C. The payment of show participation monies shall be rounded down to an even dollar amount to facilitate bookkeeping.

## **ARTICLE 5 EFFECTIVE DATE**

Upon approval, these Bylaws will be in effect beginning February 1, 2008.