

**By-Laws**  
of the

**N'CROWD MODEL RAILROAD SOCIETY, INC.**  
**DBA**  
**Houston N'Crowd**

Effective January 20, 1999

Texas Charter #01418985

**BY-LAWS**  
of the  
**N'CROWD MODEL RAILROAD SOCIETY, INC.**

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### **BY-LAWS of the N'CROWD MODEL RAILROAD SOCIETY; INC. ARTICLE I**

#### **PURPOSE**

The N'CROWD MODEL RAILROAD SOCIETY, INC., hereinafter referred to as N'Crowd, shall be an organization of individuals who demonstrate an active interest in learning about or educating the public in railroading through N Scale portrayal, or who have special knowledge relating to model railroading, or who engage in the design, construction, and operation of N Scale model railroads, or who subscribe to the concepts of NTRAK modular construction, or who wish to educate the public about the history of the railroad through the use of NTRAK modular construction.

#### **ARTICLE II**

##### **OFFICES**

The initial principal office of N'Crowd in the State of Texas shall be at a location so designated by the N'Crowd's Board of Directors (hereinafter referred to as the Board). N'Crowd may have other such offices, either within or without the State of Texas, as the Board may determine or as the affairs of N'Crowd may require from time to time. N'Crowd shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but does not need to be, identical with the principal office in the State of Texas, and the address of the principal office and the registered office may be changed from time to time by the Board.

#### **ARTICLE III**

##### **DUES**

Initiation fees, if any, which may include purchase of member items, and dues for membership, if any, shall be recommended by the Board and approved by the Active Membership.

#### **ARTICLE IV**

##### **MEMBERS**

*Section 1: Classes of members*

There shall be four (4) classes of membership: Active, Associate, Honorary Life, and Family. Active, Associate and Family members shall submit applications for renewal each January 1', for consideration by the Board of Directors.

A. **ACTIVE MEMBER** - This member receives all the benefits of N'Crowd including but not limited to voting in elections, newsletter, option to participate in N'Crowd purchases and sales. To maintain this class, the member must attend or be involved in a minimum of one (1) N'Crowd activity in the prior three (3) months, and pay the required dues. Any member that fails to meet the participation requirements, without a bona fide excuse acceptable to the Board, shall then become an Associate Member until such time as Active Membership is restored by meeting the requirements.

B. **ASSOCIATE MEMBER** - A member who is unable to fulfill the requirements of Active Membership participation. This person may participate in all N'Crowd non-subsidized or non-discounted functions and will receive the newsletter. This membership requires the payment of dues; however, this member is ineligible for voting in elections or holding office.

C. **HONORARY LIFE MEMBER** - This membership is only conferred by action of the Board, and this member enjoys the benefits of Active Membership, and is included in all references to Active Member hereinafter contained in these By-Laws. This member is not required to pay any dues or submit an annual membership application.

D. **FAMILY MEMBERSHIP** - With this membership, an entire family may join for the price of twice that of a single membership. With the following restrictions, these members receive all the benefits of the Houston N'Crowd including receipt of the newsletter, option to participate in N'Crowd functions, elections, purchases, sales, etc.:

1. The family membership is limited to not more than two (2) votes in all matters brought before the membership; however, at least two (2) members of the family must be present for two votes to be cast.
2. When there is a limit placed on a single membership for purchases of N'Crowd items, the family membership is limited to twice that limit. .

#### *Section 2: Election of members*

Prospective new members shall submit the required initiation fee and annual dues and an application with the sponsoring signature of an Active Member. Such applications shall be presented to the Board of Directors for approval by simple majority. If application is rejected, all fees and dues submitted by rejected applicant shall be returned to such applicant.

#### *Section 3: Voting rights*

A. Each Active Member shall be entitled to one vote on each matter submitted to a vote of the members.

B. Family membership allows for no more than two (2) votes on each matter submitted to a vote of the members, provided that at least two (2) family members are present at such vote, as proxy voting is not allowed.

#### *Section 4: Termination of membership*

A member may be expelled from the N'Crowd by the membership.

1. All reasonable effort shall be made by the President or other Active Member designated by the President to resolve the problem. Then, if still unresolved, the member in question shall appear at a regularly scheduled Board meeting in a further attempt to resolve the situation.
2. A vote to expel a member may be initiated by either (1) the recommendation of two-thirds (2/3) of all the members of the Board in office or by (2) petition to the Board by twenty (20) percent of the membership.
3. The membership shall have at least ten (10) calendar days notice of the vote to expel, which shall be held at a regularly scheduled meeting of the N' Crowd.
4. The membership, by a simple majority of those present and voting may expel a member

*Section 5: Resignation*

Any member may resign by filing a written letter of resignation with the Secretary.

*Section 6: Reinstatement*

Former members who have resigned and request reinstatement shall follow the same procedures as prospective new members, except that no initiation fee shall be required.

*Section 7: Transfer of membership*

Membership in N' Crowd is not transferable or assignable.

## **ARTICLE V**

### **MEETINGS OF MEMBERS**

*Section 1: General meetings*

General Meetings shall be held monthly on the third Wednesday of the month, or as directed by the Board and approved by a vote of the Active Membership.

*Section 2: Annual meeting*

The Annual Meeting of the members shall be held at the November General Meeting, for the purpose of electing Officers and Directors-at-large, and for the transaction of such other business as may come before the meeting. The annual financial report shall be presented before the election of officers.

*Section 3: Place of meetings*

General Meetings shall be held at the N' Crowd's regular location of model railroading activity, or as directed by the Board. Such meetings shall be within the Greater Houston Metropolitan Area, unless otherwise approved by a vote of the Active Membership.

*Section 4: Notice of meeting*

N' Crowd members shall be notified in writing, either by mail or by publication in the newsletter, of the time and place of a General Meeting at least five (5) working days prior to such meeting, unless

the meetings are scheduled for the same time and place each month. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, the postage thereon prepaid.

*Section 5: Special meetings*

Notice of any special meeting of the General Membership shall be given to all Active members at least one week prior to the meeting. Notification may be by telephone, mail, e-mail, telegram or face-to-face.

*Section 6: Quorum*

At any General Meeting, twenty (20) percent of the Active Members shall constitute a quorum unless otherwise specified in these By-Laws; provided, however, no business shall be conducted unless at least one (1) elected officer is present.

*Section 7: Proxies*

Neither proxy voting nor absentee voting shall be allowed.

*Section 8: Manner of acting*

A majority of the votes entitled to be cast on a matter to be voted upon by the members present at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these By-Laws.

## **ARTICLE VI**

### **BOARD OF DIRECTORS**

*Section 1: General powers*

All affairs of the N'Crowd shall be managed by the Board of Directors, except as otherwise required by law or these By-Laws. The general duties of the Board shall be as follows:

1. Establish policy for N' Crowd.
2. Make public any oral or written communications on behalf of N' Crowd.
3. Sponsor meetings on behalf of N' Crowd.
4. Approve or disapprove membership applications.

*Section 2: Method of electing*

All Board Members, with the exception of the Immediate Past President, shall be elected from the Active Membership in accordance with procedures set forth in Article XVI of these By-Laws.

*Section 3: Number and qualifications*

All Board Members shall maintain Active Membership status in the N'Crowd during their term of office. The Board shall consist of

1. All officers of N'Crowd.
2. Three (3) Directors-at-large elected by the membership.
3. Immediate Past President. (non-voting Board Member)

*Section 4: Term of office*

The term of office for each Director-at-large shall be three (3) years and shall run from January 1 to December 31, or until a successor is elected. The terms of office for the three Directors-at-large shall overlap such that only one Director-at-large position shall expire each December 31st. No Director-at-large shall serve in more than one (1) office at the same time.

*Section 5: Regular meetings*

Board Meetings shall be held monthly at a regular location, or as directed by the Board. Board Meetings shall be open to all N'Crowd members, and to non-members invited by any Board Member.

*Section 6: Special meetings*

A Special Meeting of the Board may be called by or at the request of the President or any three (3) members of the Board. Such Special Meeting shall take place at the same location as regular Board Meetings, unless otherwise agreed to by two-thirds (2/3) of all the members of the Board.

*Section 7: Notice of meetings*

Notice of any Special Meeting of the Board shall be given to all Board Members at least two days prior to the meeting. Notification may be by telephone, mail, e-mail, telegram or face-to-face.

*Section 8: Quorum*

A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board, unless otherwise required by law or by these By-Laws.

*Section 9: Manner of acting*

The act of a majority of the Board Members present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

*Section 10: Removal of a Board Member*

A Board Member may only be removed from office by the membership.

1. A vote to remove a Board Member from office may be initiated by either (1) the recommendation of two-thirds (2/3) of all the members of the Board or by (2) petition to the Board by twenty (20) percent of the membership.
2. The membership shall have at least ten (10) calendar days notice of the vote to remove a Board Member from office, which shall be held at a regularly scheduled meeting of the N'Crowd.
3. The membership, by a simple majority of those present and voting may remove a Board member from the Board.

*Section 11: Vacancies*

A vacancy in any Board seat shall be filled by a vote of two-thirds (2/3) of all of the Board Members, unless otherwise specified in these By-Laws. Such replacement Board Member shall serve until the next following December 31'. The remainder of the term of any replaced Director-at-large, if any, shall be filled at the next general election of Officers and Directors-at-large.

*Section 12: Compensation*

Board Members shall receive no compensation of any kind for their service as members of the Houston N'Crowd Board of Directors.

**ARTICLE VII**

**OFFICERS**

*Section 1: Officers*

Officers shall consist of the following positions:

1. President
2. Vice President
3. Secretary
4. Treasurer

*Section 2: Election and term of office*

The term of office for all officers shall be one (1) year and shall run from January 1st to December 31st, or until their successors are elected. No elected officer shall serve in more than one (1) office at the same time.

*Section 3: General responsibilities*

The general responsibilities of the officers are:

1. Conduct day-to-day business of N'Crowd
2. Preserve the assets of N'Crowd

*Section 4: President*

The President shall:

1. Serve as the chief executive officer.
2. Preside over all meetings.
3. Serve as Chairperson of the Board of Directors

*Section 5: Vice President*

The Vice President shall:

1. Succeed to all the powers and duties of the President in his absence.
2. Serve as President for the remainder of the President's term if the office is vacated.

*Section 6: Secretary*

The Secretary shall:

1. Be responsible for maintaining records of membership and business, other than financial.
2. Document decisions made by the Board and General Membership.
3. Notify appropriate members of scheduled meetings.
4. Be responsible for the publication of the newsletter and the appointment of its Editor.
5. During the absence of the President and the Vice President, shall succeed to all the duties of the President.
6. Upon request, make minutes of any meeting available to the membership for any proper purpose at any reasonable time.

*Section 7: Treasurer.*

The Treasurer shall:

1. Be responsible for maintaining accurate financial records. Records shall include all receipts and disbursements.
2. Prepare and file required financial reports.
3. Maintain all financial accounts with institutions.
4. Upon request, make available a financial status report to the membership for any proper purpose at any reasonable time.
5. Present a financial report to the membership at the Annual Meeting, before election of officers. Such report shall include a listing of all financial assets and liabilities.
6. During the absence of the President, Vice President, and Secretary, shall succeed to all the duties of the President.

## **ARTICLE VIII**

### **COMMITTEES**

*Section 1: Committees*

The Board of Directors or the President may designate any appropriate active members to committees. Those committees shall make recommendations (only) to the Board and/or General Membership for subsequent Board approval / disapproval, and if necessary, approval/disapproval by the General Membership. The committees shall have no executive authority.

*Section 2. Nominating Committee*

1. Members: Chairman and two (2) members. The chairman shall be the Immediate Past President, and the members, selected by the Chairman, shall be Active Members.
2. Duties of the Nominating Committee:

August - Nominating Committee shall solicit and accept nominations from the Active Membership. All reasonable effort shall be made to obtain at least two nominees for each office to be filled.

September - Nominating Committee Chairman shall present the proposed slate of candidates to the Board at the regularly scheduled September Board Meeting. If one or more office positions are not filled, the Board may request the Nominating Committee to reconvene and submit a nominee for the unfilled office, or a new slate (only if realignment is required to obtain the necessary nominee).

October - The slate of candidates shall be presented in writing, preferably by publication in N'Crowd's newsletter; to the general membership at least thirty (30) days prior to the election.

November - Election shall be held according to Article XVI below.

It shall be the duty of the Nominating Committee Chairman to submit, at the Annual Meeting, at least one name for each office to be filled. Nominations may be made from the floor, for each office, following the report of the Nominating Committee, and shall be accepted, subject to the consent of the nominee.

*Section 3: Term of office*

Each member of a committee shall continue as such until the next Annual Meeting of the members of N'Crowd and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member cease to qualify as a member thereof.

*Section 4: Chairman*

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

*Section 5: Vacancies*

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original committee.

*Section 6: Quorum*

Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

*Section 7: Rules*

Each committee may adopt rules for its own government not inconsistent with these ByLaws or with rules adopted by the Board or N'Crowd.

## **ARTICLE IX**

### **CONTRACTS, CHECKS, DEPOSITS, AND FUNDS**

*Section 1: Contracts*

The Board may authorize any officer or officers, agent or agents of N'Crowd, 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 N'Crowd, 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 evidence of indebtedness issued in the name

of N'Crowd, shall be signed by such officer or officers, agent or agents of N'Crowd, and in such manner as shall from time to time be determined by resolution of the Board, within the limits set forth in Article X of these By-Laws. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer.

*Section 3: Deposits*

All funds of N'Crowd shall be deposited from time to time to the credit of N'Crowd in such banks, trust companies, or other depositories as the Board may select, provided that such depositories are within the State of Texas.

*Section 4: Gifts*

The Board of Directors may accept on behalf of N'Crowd any contribution, gift, bequest or device for the general purposes or for any special purpose of N'Crowd.

## ARTICLE X

### FINANCIAL MANAGEMENT

1. All expenditures in excess of \$100.00 must be approved by the Board; however, expenditures of \$1000.00 or more must also be approved by a simple majority of Active Members present at a General Meeting with a quorum present.
2. Authorized N'Crowd expenses shall be reimbursed by the Treasurer; provided receipts are submitted.
3. No part of the net earnings of N'Crowd shall be used for the benefit of any individual member, and any use of profits shall be in furtherance of the purpose of N'Crowd.
4. The financial status of N'Crowd shall be communicated to the membership in accordance with Article VII, Section 7 of these By-Laws.
5. The President may appoint an Audit Committee consisting of three (3) Active Members including at least one (1) Board Member. This committee **shall** perform an audit of N'Crowd's financial assets within sixty (60) days following the end of each fiscal year. The Audit Committee shall report its findings at the March Regular Board Meeting.
6. In the event of the dissolution of N'Crowd, all assets shall be transferred in accordance with applicable law in a manner deemed equitable by the Board and approved by vote of Active Members at a General Meeting of the membership.

## ARTICLE XI

### CERTIFICATES OF MEMBERSHIP

*Section 1: Certificates of Membership*

The Board may provide for the issuance of certificates evidencing membership in N'Crowd, which shall be in such form as determined by the Board. Such Certificates of Membership shall be signed by the President or Vice President and by the Secretary. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the

certificate shall be entered on the records of N'Crowd. If any certificate shall become lost, mutilated or destroyed, a new certificate shall be issued upon request by the member as soon as is reasonably possible, if the provision for issuance of Certificates of Membership is in effect at that time.

*Section 2: Issuance of Certificates*

When a person's membership application has been accepted and he/she has paid any initiation fee and dues that may then be required, a Certificate of Membership shall be issued in his/her name and delivered to him/ her by the Secretary or other designated Board Member at the earliest convenient time, if the Board shall have provided for the issuance of Certificates of Membership under the provisions of Section 1 of this Article XI.

**ARTICLE XII**

PARLIAMENTARY CONDUCT

Unless otherwise specified, Robert's Rules of Order, Newly Revised, shall govern N'Crowd in all cases to which they are applicable and in which they are not inconsistent with these By-Laws and any special rules of order *which* N'Crowd may adopt.

**ARTICLE XIII**

BOOKS AND RECORDS

N'Crowd shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors, committees having any authority of the Board, and any other proceedings deemed appropriate by the Board, and shall keep at its registered or principal office a record giving the names and addresses of its Active and Associate Members. All books and records of N'Crowd may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

**ARTICLE XIV**

FISCAL YEAR

The fiscal year of N'Crowd shall begin on January 1 and end on December 31 in each year.

**ARTICLE XV**

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the By-Laws of N'Crowd , 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 XVI**

ELECTIONS

1. Elections shall be held annually for N'Crowd Officer and Director-at-large positions at the regularly scheduled November meeting (Annual Meeting).

2. Candidates for such elections shall be Active Members of N'Crowd.
3. The election shall be by simple majority of Active Members present and voting.
4. The election shall be by ballot; however, if there is but one nominee for each office, the election may be by voice vote. Each Active Member shall be entitled to cast one (1) vote for each officer and Director-at-large position to be filled.
5. Neither proxy voting nor absentee voting shall be allowed.
6. In the event that a simple majority cannot be obtained for any position, the candidates receiving the highest number of votes shall advance to a run-off election, to be held immediately. The number of candidates included in the runoff shall be the minimum number whose combined vote total is a simple majority of votes cast. The run-off election shall follow the rules set forth in Paragraphs (2) through (5) above. The process shall be repeated until a winner is determined.

## ARTICLE XVII

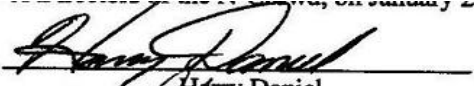
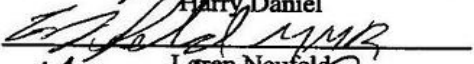
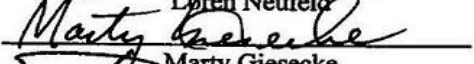
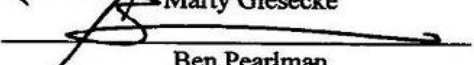
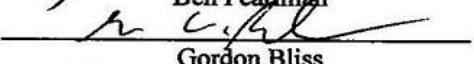
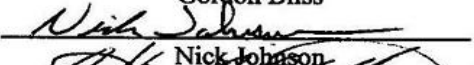

### AMENDMENTS TO BY-LAWS

1. A General or Special Meeting of the membership may be called by the Board for the purpose of amending these By-Laws. Such meeting shall be subject to the notice requirements herein.
2. All Active Members may cast one (1) vote on the proposed amendments. Proxy voting shall not be allowed.
3. These By-Laws shall be amended only by a two-thirds (2/3) majority of all votes cast.
4. Notice of proposed amendments must be presented, in writing, to the general membership at least thirty (30) days but not more than (90) days prior to the meeting designated in Item (1) above.

## ARTICLE XVIII

### ADOPTION OF BY-LAWS

These By-Laws of the Houston N'Crowd Model Railroad Society, Inc. are hereby adopted by the membership of N'Crowd, as attested to by the undersigned, being all the members of the Board of Directors, the N'Crowd, on January 20, 1999.

<b>President</b>	 _____ Harry Daniel
<b>Vice President</b>	 _____ Loren Neufeld
<b>Secretary</b>	 _____ Marty Giesecke
<b>Treasurer</b>	 _____ Ben Pearlman
<b>Director-at-large</b>	 _____ Gordon Bliss
<b>Director-at-large</b>	 _____ Nick Johnson
<b>Director-at-large</b>	 _____ Art Villavecchia

**ARTICLE XIX**  
**TRANSITION ITEMS**

This Article XIX shall be effective as of the date these amended By-Laws are adopted by the membership of N'Crowd, and shall be deleted from these amended By-Laws two (2) months after their adoption. Articles I through XVIII of these By-Laws shall be effective the first day following the day of adoption.