

New England Electric Railway Historical Society

BY-LAWS AS ADOPTED MAY 1975

AMENDED May 29, 1982; May 25, 1996; October 7, 2000; November 14, 2020

PREAMBLE

This corporation shall be known as the "New England Electric Railway Historical Society," hereinafter to be known and described as "the Society." The aims, objectives and purposes of the Society shall be to collect, preserve, and maintain for study, exhibition, and operation streetcars and other transit vehicles of various periods, and to provide a source of information of a scientific, educational, and historical nature relating to the origin, development, and use of transit equipment and operations. Membership will be open to all persons interested in the aims and objectives of the Society irrespective of national origin, gender, marital status, sexual orientation, or any attribute established by the United States government as the basis for being a protected class of persons.

Article I. Conformity to State Law and Articles of Incorporation

The bylaws of the Society shall be in conformity with its articles of incorporation and the laws of the State of Maine. Any provision inconsistent with said articles, or any such law is hereby individually abrogated.

Article II. Name of Operating Segment

The name of the operating segment of the Society shall be "Seashore Trolley Museum," "Seashore Electric Railway," or such similar name as may be designated by the Society for the principal or other operating entities.

Article III. Mission and Vision

The New England Electric Railway Historical Society shares powerful connections between the past and present. The Society's mission is to preserve knowledge, context, and resources for future generations by collecting, restoring, operating, and exhibiting significant public transit vehicles and artifacts.

The Society will continue the legacy of its founders by maintaining and sharing world-class transit collections and knowledge with a growing membership, its many visitors, local communities, and the public transportation industry.

The Society's work is guided by respect for the technological, aesthetic, and historically significant characteristics of its collections, and by engagement with its audiences and community, in the past, present, and future.

The Society will strive for the highest standards of professional practice in every facet of the organization, and to make its museum experience accessible to everyone.

The Society's capital improvement programs will create improved capacity for collection management, storage, exhibition and interpretation, and responsible stewardship of its assets.

The Society will invite and facilitate wide participation in carrying out its mission and perpetuating its legacy through programs of engagement with supporters, members, and the giving community.

Article IV. Board of Trustees

Section 1. General Powers

The executive powers of the Society shall be vested in the Board of Trustees who will direct the affairs of the Society in accordance with the mission and vision of the Society and all applicable laws and regulations. The Board of Trustees provides oversight with respect to strategic direction and key policies of the Society. Duties include, but are not limited to, the following:

1. Interpreting and protecting the mission of the Society.
2. Modifying and adopting the vision for the Society.
3. Developing, supporting, and implementing the strategic business plan and long-term site plan.

4. Meeting all legal obligations and assuring that the Society is operating within federal, state, and local laws.
5. Providing financial oversight.
6. Ensuring adequate financial resources for the Society.
7. Expanding the Society's network of friends and supporters.
8. Identifying and developing opportunities to promote the Society's mission, fund development, and enhance its reputation.
9. Building a competent Board of Trustees that is diverse and committed to the well-being of the Society.
10. Ensuring that the bylaws allow for appropriate structure and management of the Board to carry out the mission, vision, and work of the Society.
11. Enhancing the Society's public standing through advocacy and involvement.
12. Hiring, supporting, and evaluating the Executive Director.

Section 2. Number of Trustees

The Board of Trustees shall have no fewer than 12 and no more than 15 members. The President & CEO and Executive Director (as defined herein) are *ex-officio* members without a vote.

Section 3. Compensation

No member of the Board of Trustees shall receive compensation for any services rendered to the Society in their capacity as a Trustee nor shall they receive compensation for any service to the Society they may provide in other capacities within the Society, including as an employee or independent contractor. Any such compensation that a Trustee may receive from the Society shall be subject to the conflict of interest policy attached hereto as Exhibit A.

Section 4. Selection of Trustees

Six members of the Board shall be elected by the shareholding members at the Annual Meeting, subject to the Terms of Office in Article IV Section 6 and the rules in effect for the Annual Meeting. These shall be known as Elected Trustees and shall have all of the rights, privileges and responsibility of the remainder of the Board. The other Trustees shall be known as Board-Appointed Trustees.

The Board of Trustees shall elect Board-Appointed Trustees by a majority vote of Trustees at the Annual Meeting of the Trustees, as appropriate.

Each Trustee's term shall begin when such Trustee is elected or appointed, as the case may be.

Section 5. Elections

Board-Appointed Trustees shall be elected by a majority of those Trustees present at a meeting, for three (3) year terms on a staggered basis. A Board-Appointed Trustee must be re-appointed by the Board of Trustees at the conclusion of each three (3) year term they serve in order to remain on the board. A Board-Appointed Trustee shall continue in office until the earlier of the Board Appointed Trustee's resignation, removal from office, or until such time that a successor is elected.

Elected Trustees shall be voted on by the membership in a rotation to fill two Trustee positions each year. If a vacancy occurs for whatever reason in one of the six Elected Trustee positions, the Board of Trustees may either appoint a member shareholder in good standing to fill the remainder of the vacated term, or the position may remain unfilled until an election at a Special or Annual Meeting.

Section 6. Terms of Office

The term of office of each Trustee shall be three (3) years and as nearly as possible, the terms of one-third of the Trustees, and one-third of Elected Trustees, shall expire each year. All Trustees shall be members in good standing. Trustees shall receive no remuneration for their services as Trustees, nor for their service to the Society in other capacities within the Society. Elected Trustees shall be eligible to serve two (2) consecutive three-year terms while Board Appointed Trustees may serve an indefinite number of terms.

Board-appointed Trustees may serve consecutively in the office of Trustee more than twice if the Trustee is in good standing. A Trustee is considered in good standing if they are fulfilling the General Powers of a Trustee (Article IV, Section 1). An Elected Trustee may be elected to two consecutive terms, only.

Section 7. Board of Trustee Meetings

Trustees shall meet at times and places as they shall determine. A meeting may also be called by the Chair of the Board or President & CEO and/or on the petition of three (3) Trustees. Notification of any Trustees' meeting shall be made at least seven (7) days prior to the meeting unless such notice is waived by common consent. Trustees' meetings may be cancelled

or postponed for grave or serious reasons. A quorum shall consist of more than one-half of the Trustees, but no fewer than six (6). Trustees may participate in a meeting of such board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

Section 8. Senior Trustees

There shall be a category of Trustee known as "Senior Trustee". Notwithstanding any provision of Article IV, Sections 4 and 5. The Board of Trustees may appoint a member as a Senior Trustee whose:

- (i) years of age plus years of service as a Trustee add to seventy (70) or more,
- (ii) served as a Trustee for not less than nine (9) years; and
- (iii) been a member not less than twenty (20) years.

Individuals selected by the Trustees as Senior Trustees and confirmed at a meeting of the Society shall have indefinite tenure and will enjoy all the rights and privileges of other Trustees except voting. They shall not be counted towards the requirements for a quorum of the Board of Trustees. They will be admitted to all meetings, made privy to the deliberations of the Trustees and may contribute their knowledge and experience to the advancement of the Society.

Section 9. Voting

All members of the Board of Trustees, except Senior Trustees and *ex-officio* members, shall be entitled to one vote. A quorum must be present for any transaction that requires a vote. Votes may be taken by secret ballot when requested by any voting member. The Chair may vote only when it is to break a tie or in the case of a secret ballot.

Any action required by law to be taken at a meeting of Trustees, or any action which may be taken at a meeting of Trustees, may be taken without a meeting if a consent through electronic communication is made available to all Trustees. Unless otherwise stated in the call for votes, a simple majority of the Board is required for passage. A Trustee's consent may be transmitted in writing provided that such consent bears the signature (original or electronic) of the individual Trustee. A clearly noted "yes," "no" or "abstain" also must be transmitted for the vote to be included. Results of a vote taken outside of a regularly scheduled meeting of Trustees shall be recorded in the minutes of the next regularly scheduled meeting of the Board of Trustees.

Any action required or permitted to be taken at a meeting of the Trustee may be taken without a meeting if each Trustee consents to such action described in writing setting forth the action so taken, and a copy of their written consent is filed with the minutes of the meetings of the Board of Trustees.

Section 10. Resignation

Any Trustee may resign at any time by giving written notice to the Chair and Secretary. Such resignation shall take effect immediately upon receipt, unless some other time is specified in the notice.

Section 11. Removal

Any member of the Board of Trustees may be removed from office by a written majority vote of the Board at a regular or special meeting called for that purpose. Such removal may only be enacted for conduct detrimental to the interests of the Society; for refusal to render reasonable assistance in carrying out its purposes; for failure of confidence in that Trustee; or for absenteeism as addressed in Article IV, Section 12.

The Executive Committee, as established in accordance with Article IV Section 4 of these bylaws, will be responsible for initiating the removal process for any Trustee. Any member of the Board of Trustees proposed to be removed by a vote of the other Trustees shall be entitled to at least 14 days' notice in writing of the meeting at which such removal is to be considered for vote and shall be entitled to be heard at such meeting.

Section 12. Removal for Absenteeism

If a Trustee has two (2) unexcused absences from regular meetings during a fiscal year, his or her name will be presented for removal at the next regular Trustee meeting. An unexcused absence is defined as an absence that has not been confirmed with the Chairman or Secretary at least 48 hours in advance of the scheduled Trustee meeting. Written notice of the consideration for removal will be sent to the Trustee in question at least 14 days in advance of the meeting at which such removal is to be considered.

Section 13. Vacancies

When a vacancy occurs on the Board of Trustees, the vacancy shall be filled in accordance with Article IV, Section 5 of these bylaws.

Section 14. Indemnification

The Maine Nonprofit Corporation Act provides certain provisions for the indemnification of officers, trustees, and employees of the society if they incur a liability in connection with their service to the society. The language included with this section is intended to bolster the allowances granted by Maine law while also ensuring that the society will not be held responsible for bad actors.

Section 14.1. Indemnification. The Society shall in all cases, to the fullest extent permitted by the Act, indemnify any person who was or is involved in any manner (including, without limitation, as a party or a witness) in any threatened, pending or completed investigation, claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including, without limitation, any action, suit, or proceeding brought by or in the right of the Society to procure a judgment in its favor) by reason of the fact that that person is or was a Trustee or Officer of the Society, against all liabilities and expenses actually and reasonably incurred by the person in connection with such actions, suits, or proceedings including but not limited to attorneys' fees, judgments, fines, and amounts paid in settlement. This Section is subject to the limitations set forth in Section 14.2.

Section 14.2. Limitations on Indemnification. No indemnification shall be provided for any person with respect to any matter as to which that person shall have been finally adjudicated in any action, suit, or proceeding not to have acted in good faith in the reasonable belief that that person's action was in the best interests of the Society or, with respect to any criminal action or proceeding, had reasonable cause to believe that that person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, or conviction adverse to such person, or by settlement or plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that such person did not act in good faith in the reasonable belief that such person's action was in the best interests of the Society, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 14.3. Requirement of Indemnification. Any provision of Sections 14.1, 14.2 or 14.4 to the contrary notwithstanding, to the extent that a Trustee or Officer has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 14.1, or in defense of any claim, issue, or matter therein, that person shall be indemnified against all expenses and liabilities, including attorneys' fees, actually and reasonably incurred by that person in connection therewith. The right to indemnification granted by this Section may be enforced by a separate action against the Society, if an order for indemnification is not entered by a court in the action, suit, or proceeding wherein that person was successful on the merits or otherwise.

Section 14.4. Procedure. Any indemnification under Section 14.1, unless ordered by a court, shall be made by the Society only as authorized in the specific case upon a determination that indemnification of the Trustee or Officer is proper in the circumstances because that person has met the applicable standard of conduct set forth in Sections 14.1 and 14.2. That determination shall be made by the Board of Trustees by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Trustees so directs, by independent legal counsel in a written opinion. Such a determination, once made by the Board of Trustees, may not be revoked by the Board of Trustees and upon the making of such determination by the Board of Trustees, the Trustee or Officer may enforce the indemnification against the Society by a separate action notwithstanding any attempted or actual subsequent action by the Board of Trustees.

Section 14.5. Expenses. Expenses incurred in defending a civil, criminal, administrative or investigative action, suit, or proceeding may be authorized and paid by the Society in advance of the final disposition of that action, suit, or proceeding upon a determination made in accordance with the procedure established in Section 14.4 that, based solely on the facts then known to those making the determination and without further investigation, the person seeking indemnification satisfied the standard of conduct prescribed by Sections 14.1 and 14.2. Those persons making such determination may, in their discretion, require such person to provide the following to the Society:

- (a) A written undertaking by or on behalf of the Officer or Trustee to repay that amount if that person is finally adjudicated (i) not to have acted honestly or in the reasonable belief that the person's action was in or not opposed to the best interests of the Society; and (ii) with respect to any criminal action or proceeding, to have had reasonable cause to believe that the person's conduct was unlawful; and
- (b) A written affirmation by the Officer or Trustee that the person has met the standard of conduct necessary for indemnification by the Society as authorized in this section.

The undertaking required by Paragraph (a) shall be an unlimited general obligation of the person seeking the advance, but need not be secured and may be accepted without reference to financial ability to make the repayment.

Section 14.6. Enforceability. The indemnification and entitlement to advances of expenses provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of disinterested Trustees or otherwise, both as to action in that person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee or Officer and shall inure to the benefit of the heirs, executors, and administrators of such a person. A right to indemnification may be enforced by a separate action against the Society, if an order for indemnification has not been entered by a court in any action, suit, or proceeding in respect to which indemnification is sought.

Section 14.7. Insurance. The Society shall have the power to purchase and maintain insurance on behalf of any person who is or was a Trustee or Officer against any liability asserted against that person and incurred by that person in any such capacity, or arising out of that person's status as such, whether or not the Society would have the power to indemnify that person against such liability under this Article.

Section 15. Subsidiary Entities

At their discretion, the Trustees may create subsidiary entities within the framework of the Society to implement the objectives of the Society. They shall delegate authority to assigned persons to conduct the operations of the entity in the area for which it was established. Auxiliary or volunteer organizations may be established by individuals to cooperate with the Society in pursuit of its aims and objectives. Such groups may not claim relationship with the Society unless and until one Trustee is included in the management of such a group as approved by the Board of Trustees.

Section 16. Hiring Personnel

The Trustees or their designee(s) may hire employees and may create, fill, discontinue, or vacate any positions as they may deem suitable and desirable. To each person chosen for any position, the Trustees shall specify, describe, and assign duties and titles and may delegate authority.

Section 17. Conflict of Interest

In the exercise of its powers under the provisions of any statute, the Articles of Incorporation, or these Bylaws, the Society and its Trustees and Officers shall act in accordance with the Conflict of Interest Policy appended hereto as Exhibit A. Notwithstanding anything contained herein to the contrary, employment by the Society shall not constitute a conflict of interest.

Section 18. Transition during Revision of Bylaws (to be annulled at the Annual Meeting in 2024)

This section is a temporary provision to effect the orderly change from the current share-voting structure of Trustee elections to a self-perpetuating Board. Following the Annual Meeting in 2020, Trustee elections among members will change. At the Annual Meeting in 2021, two (2) Elected Trustees will be elected by the member shareholders, and two (2) Trustees will be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting. These Elected and Appointed Trustees will replace the four Trustees whose terms are ending in 2021. Additional Trustees may be appointed if the Board so chooses, following Article 4, Section 2. In 2022, two (2) Elected Trustees will be elected by member shareholders, and other Trustees may be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting. In 2023, two (2) Elected Trustees will be elected by member shareholders, and other Trustees may be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting.

ARTICLE V. Officers

Section 1. Positions

The officers of the Society shall consist of Chair, Vice Chair, Immediate Past-Chairman, President & CEO, Vice President, Treasurer, and Secretary who shall be elected by the Board of Trustees. The offices of Chair and Vice Chair must be held by a voting Trustee.

Section 2. Election

Any Trustee may submit their name to the Chair or President & CEO as a nominee for election to the office of Chair, or Vice Chair. Any Trustee or member may submit their name to the Chairman or President & CEO as a nominee for election to the office of President & CEO, Vice President, Treasurer or Secretary.

Election, by written ballot if requested, will be held at the first meeting of the Board of Trustees following the Annual Meeting.

Section 3. Term of Office

Officers shall serve one (1) year terms or until his or her successor has been duly nominated and elected, renewable at the end of each term. The Chair will succeed to the office of Immediate Past-Chair at the end of the Chair's term. Officers shall serve until the Board meeting following the next Annual Meeting or until their successors are elected and qualified. Any Officer may be removed with or without cause at any time by an affirmative vote of a majority of the Trustees at a duly called and noticed meeting of the Trustees at which a quorum is present or by unanimous written consent. Any vacancy occurring in any office of the Society shall be filled by vote of the Trustees.

Section 4. Duties of Officers

1. Chair

- a. Presides over all meetings of the Society, as the senior leader of the Trustees
 - i. Plans meetings and sets meeting agendas with the President & CEO, Executive Director and Secretary.
 - ii. Facilitates discussion and ensures every Trustee has the opportunity to express their opinions.
 - iii. Ensures that each Trustee's wisdom and expertise are being tapped.
 - iv. Assigns tasks to committee chairs.
 - v. Resolves conflict among Trustees.
- b. Ensures committees are working toward meeting their defined objectives and goals.
 - i. Ensures committee chairs have the necessary information, tools, and resources to accomplish goals.
 - ii. Keeps informed of critical issues and ensures committees are working toward meeting goals and deadlines.
 - iii. Communicates with committee chairs, gathering and providing information.
 - iv. Provides support, coaching, and motivation.
 - v. Attends critical meetings as necessary.
- c. Oversees the implementation of all corporate and local policies.
- d. Ensures that the Board is operating at the highest level in appropriate areas.

2. Vice Chair

- a. Presides over all Board meetings when the Chair is not available (see Chair's job description).
- b. Performs Chair's responsibilities when the Chair is unable to do so (see Chair's job description).
- c. Learns the roles and responsibilities of the Chair.
- d. Accepts and carries out delegated responsibilities from the Chair.

3. President & CEO

- a. Shall be a member of the Society and shall be responsible for the implementation of the directives of the Trustees. The President & CEO supervises the Executive Director and oversees other Administrative positions. The President & CEO or designee is responsible for oversight of all staff positions and appoints all Administrative positions of the Society.
- b. The President & CEO is designated to represent the Society in the purchase and sale of real and personal property and he or she shall verify that deeds and documents have been duly recorded with the proper authorities. Sales, mortgaging or other disposal of capital assets or real estate must be approved by the Board in advance.

4. Treasurer

- a. Oversees the finances and budget of the Society.
- b. Receives and disburses all monies and is an authorized signatory to sign checks and financial documents on behalf of the Society. He or she may, with Trustee approval, appoint assistants to whom authority may be delegated to perform the functions of this office.
- c. As chief financial officer, the Treasurer shall be bonded by the Society in such manner and amount as the Trustees may determine. The expense for this bonding shall be assumed by the Society.
- d. Presents financial statements and reports to the Board for approval.
- e. Develops the annual budget with the Executive Director.
- f. Presents the annual budget to the Finance Committee and Board for approval.
- g. Reviews the annual audit and answers Trustee questions about the audit.

5. Secretary

- a. Maintains records of the Board and ensures effective management of the Society's records.
- b. Prepares and manages minutes of Board meetings.
- c. Documents Trustee attendance and shares concerns with the Executive Committee.
- d. Ensures minutes are distributed to members in a timely manner after each meeting.
- e. Ensures the safety and accuracy of all Board records.

6. Immediate Past-Chair

- a. Serves one additional year as a non-voting Board Officer to ensure continuity in Society leadership and governance.
- b. Develops a relationship with the Chair and all new Executive Committee members, mentoring them in their positions as needed.
- c. If the standing Chair is elected to serve a subsequent one-year term, the Chair may invite the standing Past-Chair to continue as an officer for an additional one-year term as needed.

Section 5. Other Appointed Positions:

The **Vice President** will act in the absence of the President & CEO and will assume such duties and responsibilities as may be assigned by the Trustees.

The **General Counsel** shall be a member of the bar of the State of Maine, in good standing. They shall perform all duties common to an attorney at law. They are hereby designated to receive service of legal process and to defend the Society against all legal actions not otherwise provided. Their powers to represent this Society are hereby confirmed. No lawsuit may be instituted on behalf of the Society unless done so by the General Counsel or their designated representative. No officer, Trustee, or member may act for the General Counsel without their knowledge and previous consent. The Chairman, President & CEO, Executive Director, or designee shall serve as the liaisons to the General Counsel for the Society. The role of General Counsel shall in no event be considered an Officer of the Society.

ARTICLE VI: Committees

Section 1. Standing Committees

The **Executive Committee** shall consist of the Board Chair and three other incumbent Trustees, appointed by the Board. The President & CEO, unless also a Trustee and appointed to this Committee, and the Executive Director shall be non-voting *ex-officio* members. The Executive Committee is charged with acting on business that comes up between Trustee meetings and assisting the Executive Director in coordinating the activities of the Board of Trustees. The Board Chair will call meetings of the Executive Committee as needed. A quorum consisting of three Executive Committee members must be present for any transaction that requires a vote.

The **Board Development Committee** shall consist of no fewer than three (3) Trustees who demonstrate characteristics sought in Trustee candidates. It shall be the duty of this Committee to maintain an accurate accounting of needed strengths of Trustees and to seek out and contact internal and external persons interested in the objectives and purposes of the Society, and to recommend these persons for membership and terms on the Board. This Committee will evaluate persons suggested for Board membership by other Trustees and will coordinate and oversee the recruitment process.

The Board Development Committee shall mentor new Board members. This includes facilitating a new Trustee orientation with each member. The Board Development Committee shall further recommend persons to fill any vacancies that may occur on the Board and shall, in accordance with these bylaws and any policy adopted by the Society, nominate Trustees to serve as officers of the Board.

The Board Development Committee shall be responsible for establishing and making recommendations to a Board Development Plan to help maintain consistency in the long-term when chairs and members change. This Committee is responsible for reviewing the Board Development Plan annually.

The **Finance Committee** provides a strategy for funding the growth of the Society, understanding the revenue sources of the Society and identifying fundraising events and the revenue they must generate. The Finance Committee shall lead the review of the Society's Fund Development Plan annually.

The **Curatorial Committee's** primary responsibility is to inspire and educate the Society's members and the general public through the preservation, conservation, and protection of the collection. Members of the committee strive to be the experts about all elements of the collection and oversee the care, storage or display, catalog, and information presented about each piece. The Curatorial Committee shall maintain and execute the Museum's Curatorial Plan, which includes creating and executing plans for accessioning and deaccessioning pieces in the Museum's collection. The Committee works alongside the Shop Director to ensure the museum's five-year Restoration Plan meets the needs of the collection, has realistic funding paths, and is executed. The Curatorial Committee works with the Executive Director to market, raise funds for, and network for the benefit of the collection.

Section 2. *Ad hoc* Committees

Ad hoc, or special, committees may be formed for a temporary period when issues or needs arise that require additional attention from the Board. Special committees will be appointed by the Chair of the Board.

The Executive Director shall serve as a member on all special committees.

ARTICLE VII: Executive Director

Section 1. Appointment

The Board of Trustees shall appoint an Executive Director of the Society who shall report to the President & CEO, and may terminate such appointment at its sole discretion.

Section 2. Duties

The Executive Director shall attend all meetings of the Trustees but shall have no voting rights. They shall make a report at each regular meeting of the Trustees, and shall assume those duties, which may be assigned to the position pursuant to these bylaws.

Section 3. Contracts

The Executive Director has the authority to enter contracts on behalf of the Society. Unbudgeted contracts in excess of \$1,000 require the approval of the President & CEO.

Article VIII. Annual & Special Meetings

Section 1. Annual Meeting

There shall be held annually a meeting of this Society at a time and place designated by the Trustees. Notice of the Annual Meeting shall be made by mail to all members, officers, and Trustees at least fourteen (14) days prior to the meeting. The basis for all formal meetings of the Society shall be the most recent revision of "*Robert's Rules of Order, Newly Revised*," except where these bylaws provide otherwise.

Section 2. Quorum

The quorum at an Annual Meeting or special meeting shall consist of twenty-five (25) of the Society's member shareholders in good standing.

Section 3. Voting

Voting at Annual Meetings, adjournments thereof, or special meetings shall be restricted to member shareholders in good standing on a basis of contributions on record at the end of the previous year. Shareholders who do not renew their dues by March 1st are not eligible to vote at the Annual Meeting held the same year. The same applies at Special Meetings held the same year.

Quorum shall not be required for a motion of recess or adjournment.

Section 4. Records

A record shall be maintained of the proceedings of the Annual Meeting, all Special Meetings, and of formal meetings of the Trustees; such maintenance shall be the responsibility of the Secretary.

Section 5. Absentee Ballots

If a member is not able to attend the Annual Meeting in person and a vote is scheduled to occur, they may complete an Absentee Ballot. Formal Absentee Ballots will be mailed to all members no less than 30 days prior to the Annual Meeting. Members not able to attend must complete and sign the ballot and mail it back to the Society using the envelope provided so that it arrives in the mail at the Society at least one day in advance of the Annual Meeting. The Society is not responsible for delay of mail.

Section 6. Counting Ballots and Votes

The Trustees shall appoint no less than three (3) but no more than five (5) shareholders to count absentee ballots and votes at the Annual Meeting.

Section 7. Special Meetings

A special meeting of the members of the Society must be called for a date within thirty (30) days by the President & CEO or Chair of the Board of Trustees upon receipt of a petition signed by thirty (30) member shareholders in good standing. Notice and conduct of such meeting shall be the same as for the Annual Meeting. Trustees at their discretion may call a

special meeting of the members on not less than fourteen (14) days' notice. Only member shareholders in good standing present at Special Meetings are eligible to vote. Due to the circumstances under which Special Meetings are called and the discussion that occurs in-person prior to a vote being called, Absentee Ballots are not distributed for Special Meetings and only shareholders present may vote. All other provisions for Annual Meetings apply to Special Meetings.

Section 8. Annual Reports

Annual reports to the Society shall be made by the President & CEO, Treasurer, Executive Director, and other individuals as the officers and Trustees may direct.

Section 9. Electronic Meetings

Meeting and voting may be conducted by electronic transmission under procedures established by the Society if the notice of the meeting should establish such procedures. A vote conducted by electronic transmission must be filed with the minutes of members' meetings and has the same effect as an in-person vote.

Article IX. Financials

Section 1. Asset Management

Cash assets of the Society shall be maintained in checking and savings accounts or monetary instruments in banks or similar sound institutions selected by the Treasurer with the approval of the Trustees. Checks and withdrawal slips shall be signed by the President and the Treasurer or by their respective representatives as approved by the Board of Trustees.

Section 2. Financial Records

The financial records shall be maintained by methods satisfactory to an auditor chosen by the Trustees. The financial records may be examined at any time by such an auditor or by other officers or Trustees, or at a convenient time by any member.

Section 3. Fiscal Year

The fiscal year shall be from the first day of January to the last day of December.

Section 4. Shares

Shares of contribution represent the free and unfettered gifts of United States dollars or goods but not services and constitute no property rights in the Society. The Society recognizes the distribution of shares as a significant assistance to fundraising. For each ten dollars in money or goods, one (1) share of contribution will be issued. These shares are non-assessable. Contributions of property other than money will be received with a valuation submitted by the donor. The Trustees may accept or reject this valuation. Upon acceptance of the valuation by the Trustees, one (1) share of contribution shall be issued for each ten dollars of the accepted valuation.

Section 5. Shares Eligibility

Shares of Contribution may be held only by individual members in good standing. Legal spouses may hold shares of contribution as a community of an individual member in good standing. Shares may not be held by group, corporate or organizational members. There shall be no fractional shares issued, but the Society may receive partial payments for future credit and issuance of full shares. When membership is terminated for any reason, the shares of the member shall revert to the treasury unless the Trustees at their discretion and within the provisions of this code elect otherwise. Gifts in any form from members or non-members may be received without issuance of shares. Such gifts may be credited for issuance of shares within one year of receipt.

Section 6. Contributions In-Kind for Shares

The Board of Trustees will review the Society's Contributions In-Kind (CIK) Policy annually. Members must submit CIKs to the Finance Committee or designee for approval to receive shares. If shares are approved by the Finance Committee or designee, they will be applied to the calendar year in which the CIK request was submitted. Time volunteered is not eligible for a CIK. Property, parts, artifacts, and other one-of-a-kind donations must be first appraised by a third party for shares consideration.

Article X. Membership

Section 1. Membership Considerations

Membership in this Society is open to any individual interested in the aims, objectives, and purposes for which this Society was established and shall not be denied or terminated except for cause as hereunder provided. Members must pay the required fees and dues and abide by the rules and regulations governing the operations of the Society.

Section 2. Membership Dues

The Trustees shall determine the amount of dues and fees to be paid and the methods by which they may be paid. All dues are payable by March 1 and apply only for the calendar year. Applicants for membership shall be admitted upon payment of current dues and fees and the completion of application or other forms. Certificates of membership shall be in the form of passes for the current year. Only those members in good standing having shares of contribution are entitled to vote at an Annual or Special Meeting. They are not otherwise privileged beyond members who do not own shares.

Membership in this Society constitutes a release of liability, agreement to abide by rules, regulations, bylaws, and the orders of lawfully constituted Society officials. Honorary or complimentary memberships may be granted to persons or groups for the purpose of honor or courtesy without payment of dues. Such grants may be made by the Membership Secretary or by a vote of the Trustees.

Section 3. Member in Good Standing

Member in good standing is the status assigned to a member of the Society when he or she has remained current on Society dues, which must be renewed by March 1 of a calendar year to cover that calendar year. Being a member in good standing affirms the member's commitment to the vision of the Society, reflected in its Code of Conduct, to which all members are bound, and to the Society's bylaws and other Society policies. It is expected that members in good standing will work collaboratively to strengthen the Society and will not engage in any activities that put the Society in financial or structural jeopardy, nor engage in any activities that will bring discredit to the Society. Members are not in good standing if they owe money to the society, do not renew their dues by March 1, are placed on probation or suspension, or any action or inaction that places the Society at risk.

Members in good standing:

1. Are eligible to participate in all meetings and may serve on committees.
2. If shareholders, are eligible to vote at the Annual Meeting and at Special Meetings.
3. Are eligible to be appointed to the Board of Trustees or to an Administrative Officer role
4. May volunteer at the Society.
5. Are eligible for all benefits that accompany Society Membership.

Section 4. Discipline of Members

Members may be expelled or suspended from the Society by the Executive Director, for cause arising from serious offenses against the Society or from conduct and attitudes reflecting discredit on the Society. Offenses are breaches of the bylaws or of rules enacted or authorized by the Trustees. Discipline of members may consist of suspension of privileges or termination of membership. Fines may not be imposed but damage arising from carelessness may be assessed against the person responsible for the damage.

Discipline, initially, may be imposed by those officers against whose authority the offense was committed. Members may appeal to the President & CEO or the Chair of the Board. Action in a court of law shall be subsequent to the foregoing.

Conviction in a court of law arising from offenses against the Society shall terminate membership which shall not be reinstated, unless and until such conviction is vacated, annulled, or overturned. In the event of such vacation, annulment, or overturning, the Trustees may reinstate membership at their sole discretion.

Section 5. Society Employees as Members

All employees of the Society receive an honorary membership during their tenure as employees. Members acting as employees shall receive compensation no greater than that received by non-members for similar work. Members, when employed, shall be subject to the rules and regulations in effect for employees who are not members. Repayment to a member for expenses they incurred on behalf of the Society shall not be considered remuneration under these bylaws.

Section 6. Representing the Society

Titles used on passes and badges are purely honorary and shall not convey any operating rights or privileges. Members may not act for the Society unless specifically authorized by the Trustees or an officer delegated by them. Society stationery or substitute for same may be used only by Trustees, officers, special representatives, and committees whose work necessitates official correspondence. Misuse of stationery or unauthorized correspondence in the name of the Society is cause for discipline. No member may incur an obligation for this Society unless they are specifically authorized normally by an officer having such authority, or is an officer having the authority to do so conferred by the Trustees.

Section 7. Dues Renewal

If a member's dues remain unpaid on March 1, after one (1) notice and one (1) reminder at least sixty (60) days apart have been sent, the member's privileges are suspended. When a member's dues are six (6) months in arrears, membership shall be terminated. Dues for a member may be waived for one year at a time without prejudice at the discretion of the Membership Secretary for good cause.

Section 8. Reinstatement

Members who have resigned or been dropped for non-payment of dues and/or fees may be reinstated upon payment of the same dues or fees required of anyone joining initially as previously stated. Reinstatement of shares previously held may only take place if the membership has lapsed by no more than two years.

Section 9. Deceased Member

The membership of a deceased member may be taken over by a member of their immediate family, if application is made within two years. Lacking this, membership shall terminate as previously stated.

Section 10. Member Access to Society Property

Access to and use of real and other property of the Society is the privilege of members whose dues and fees are fully paid, subject however to the established rules and regulations.

Section 11. Guests

Guests of members may be permitted to accompany members on the property of the Society. The number of complimentary guests accompanying the member must not exceed the number of guest allowances the member receives per their level of membership, annually. This benefit is reviewed by the Trustees as needed. Members shall be responsible for the conduct of their guests. Children of members are permitted on this property at the risk of and in the company of such members who thereby assume all risks and responsibility for their conduct. Such guests and children must abide by the rules of the Society.

Article XI. Property

Persons who own rolling stock, other equipment, or historical artifacts and who desire these to be placed upon the property of this Society shall first deed free and clear of encumbrance or permanently lease such equipment to the Society. This provision shall not forbid exhibits on a temporary loan basis under such terms as the Trustees shall determine. The Society assumes no liability for the preservation of deeded or leased equipment and will care for it in a manner similar to that used for Society owned equipment. Destruction of leased equipment, from whatever cause, allows the lessor no recovery beyond removing the remaining portions from the property within a reasonable time. Prior to placing any such equipment on the property, they must be informed of this provision by the Trustees.

Article XII. Corporate Details

Section 1. Amendments to the Bylaws

These bylaws may be amended at an Annual or Special Meeting, with due written notice in the call of the meeting. Proposals to amend these bylaws must be reviewed by the Board of Trustees first and have at least five (5) supporting signatures from Trustees. Consent of two-thirds (2/3) of the votes present at such a meeting shall prevail. Repeal or alteration of any provision of these bylaws shall not constitute a restoration of any provision previously repealed.

Section 2. Dissolution of the Society

In the event of any cessation of the corporate entity of this Society as a legal body, these bylaws shall govern, except where superseded by competent authority. Officers and Trustees shall remain in office.

Dissolution of the Society shall be effected only by the provisions of the State of Maine. Upon the dissolution of the Society, the Trustees or their successors shall, after paying or making provisions for the payment of all liabilities of the Society, dispose of the assets of the Society in such manner and to such organizations maintained and operated exclusively for historical, educational and scientific purposes as will at that time qualify as an exempt organization under Section 501 of the Internal Revenue Code or the corresponding section of a future Internal Revenue law or regulation. The institutions selected shall have, insofar as possible, aims, objectives, and purposes similar to those of this Society, and be those most qualified to conserve the assets of this Society in the public interest. There shall be no value distribution to any member of the Society. In the event that the Trustees or their successors fail to act, disposition of assets as specified in the foregoing shall be made by a court of competent jurisdiction in the county in which the principal office of the Society is located.

Section 3. Federal Compliance

No part of any earnings or accrual of the Society shall inure to the benefit of or be distributable to its members, officers, Trustees, or any other private persons, except that the Society shall be empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the Society shall be the spreading of propaganda, or otherwise attempting to influence legislation. The Society shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Notwithstanding any other provisions of these bylaws, the Society shall not engage in any other activities not permitted to be carried out by (a.) a corporation exempt from Federal Income Tax under Section 501 of the Internal Revenue Code of 1986 (or the corresponding section of a future Internal Revenue law or regulation), (b.) or by a corporation, contributions to which are deductible under Section 170 of the Internal Revenue Code of 1986 (or the corresponding section of a future Internal Revenue law or regulation).

Article I. Purpose

Section 1. Purpose

The purpose of this Conflict of Interest Policy (this “Policy”) is to protect the interests of this tax-exempt organization (the “Society”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Trustee of the Society or might result in a possible excess benefit transaction. This Policy is intended to supplement but not replace any applicable federal laws or laws of the State of Maine governing conflict of interest applicable to nonprofit and charitable organizations.

Article II. Definitions

Section 1. Interested Person

Any Trustee, Officer, or member of a committee with powers delegated by the Board of Trustees, who has a direct or indirect financial interest, as defined below, is an “Interested Person.”

Section 2. Financial Interest

A person has a “Financial Interest” if the person has, directly or indirectly, through business, investment, or family:

- (a) An ownership or investment interest in any entity with which the Society has a transaction or arrangement;
- (b) A compensation arrangement with the Society or with any entity or individual with which the Society has a transaction or arrangement; or
- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Society is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 3.2 of this Policy, a person who has a Financial Interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III. Procedures

Section 1. Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Trustees and members of committees with powers delegated by the Board of Trustees considering the proposed transaction or arrangement.

Section 2. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Board of Trustees or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Trustees or committee members shall decide if a conflict of interest exists.

Section 3. Procedures for Addressing the Conflict of Interest

- (a) An Interested Person may make a presentation at the Board of Trustees or committee meeting, but after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- (b) The chairperson of the Board of Trustees or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board of Trustees or committee shall determine whether the Society can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Trustees or committee shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the Society’s best interest, for its own benefit, and whether it is fair and

reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Section 4. Violations of the Conflict of Interest Policy

- (a) If the Board of Trustees or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Trustees or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV. Records of Proceedings

Section 1. Minutes

The minutes of the Board of Trustees and all committees with powers delegated by the Board of Trustees shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board of Trustees' or committee's decision as to whether a conflict of interest in fact existed.
- (b) The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V. Compensation

Section 1. Recusal of Trustees Required

A Trustee who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that Trustee's compensation.

Section 2. Recusal of Certain Committee Members Required

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.

Section 3. Information May Be Presented

No voting member of the Board of Trustees or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI. Annual Statements

Section 1. Signed Statements Required

Each Trustee, Officer and member of a committee with powers delegated by the Board of Trustees shall annually sign a statement which affirms such person: (a) Has received a copy of this Policy; (b) Has read and understands this Policy; (c) Has agreed to comply with this Policy; and (d) Understands the Society is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII. Periodic Reviews

Section 1. Review Procedure

To ensure the Society operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Society's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Article VIII. Use of Outside Experts

Section 1. Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, Section 1 of this Policy, the Society may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted.

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