

NRHS Convention Policy
Adopted July 4, 2003

A. Definitions - Organizations

1. National Organization (NO)

The National Organization is the National Railway Historical Society, Inc., its Officers, Board of Directors, and duly appointed Committees

2. Board of Directors (BOD)

The terms "Board of Directors" and "BOD" in this document refer exclusively to the NRHS national Board of Directors.

3. Host Chapter (HC)

Host Chapter is the Chapter or Chapters of the NRHS that has been awarded the sponsorship of a national convention of the NRHS by a vote of the BOD. HC has the primary responsibility to plan, manage, and execute the convention.

4. National Convention Committee (NCC)

National Convention Committee is appointed by the National President for the purposes of oversight of and assistance with HC in planning, implementation, and follow-up of all convention activities. NCC is empowered by NO to take necessary steps to assure each convention is conducted in a manner pursuant to policies of the NRHS. NCC is the primary contact between HC and NO.

5. Joint Convention

Joint Convention is a convention of the NRHS and a second independent organization (the Partner Organization), with members of each organization given equal access to all convention activities (except business meetings).

B. Definitions - Financial

1. Convention Income

Convention Income includes all income derived from registration and activity fees, including but not necessarily limited to rail or non-rail trips; banquets and other meals for which the Host Chapter collects revenues; admissions fees to displays, seminars or similar activities; shuttle buses or other prearranged local transportation; and interest earned.

2. Convention Expense

Convention Expense includes all expense directly attributable to the generation of Convention Income, plus overhead costs for pre-convention planning, administration, publicity, credit card fees, and interest paid.

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3. Convention Net

Convention Net is the Surplus (or Loss) remaining after deducting Convention Expense from Convention Income.

4. Excluded Items

- a. Excluded Income is HC income from sales of souvenirs, casual food and beverage sales on board excursion trains and otherwise for which no prepaid monies have been collected, and other income of a similar nature.
- b. Excluded Expense is HC costs directly attributable to generation of Excluded Income.
- c. Excluded Income and Excluded Expense are not counted in Convention Net.
- d. For administrative reasons, HC may choose to process Excluded Income and Excluded Expense through the convention accounts. In such case, Excluded accounts must be clearly and distinctly identified in the accounting system.

C. Rights & Agreement

1. Proposal for Hosting Convention:

Prior to presenting a proposal to the Board of Directors, HC must make a presentation to the NCC, which is charged with screening such proposals and recommending to the Board of Directors that said proposal(s) be brought to the floor for approval.

2. Incorporation

HC must be incorporated as a protection from liability for its members. Prior to presenting a proposal to the Board of Directors for approval, HC must certify in writing to NCC that it is incorporated and its incorporation and tax filings are current in state of incorporation.

3. Award of Convention

Right to host a NRHS convention for a given year is awarded to HC by affirmative vote of the Board of Directors at a regular or special meeting. Proposal to BOD must include name of HC, convention headquarters location (city), and approximate dates (within two days of beginning and end), and any plans for Joint Convention with another organization. HC may also include any other information it chooses in support of its proposal.

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4. Exclusive Rights

Award of Convention grants HC exclusive rights to call its convention the NRHS National Convention for that year and authorizes HC to use NRHS name and logo in promoting the convention.

5. Letter of Agreement

a. Content

HC and NCC must complete a Letter of Agreement governing administration of the convention. This document is the agreement of both parties to the terms of this policy statement plus specific and mutually agreed exceptions and clarifications to standard policy necessary to meet the needs of the individual convention.

b. Timing

Agreement is to be completed and signed within 90 days of Award of Convention by BOD or by time of next regular BOD meeting, whichever comes first.

c. Approval

i. Convention Chair and Chapter President sign Letter of Agreement for HC, subject to authorities in chapter bylaws.

ii. Chair of NCC signs Agreement for NO. All exceptions to standard policy require approval by the National President after review by the General Counsel. Some exceptions and clarifications to standard terms not specified in original proposal approved by the BOD are subject to an approval vote by BOD at its next regular meeting.

6. Modification of Agreement After Approval

a. All changes requiring amendment to the Agreement must be in writing and are subject to the same approval signatures as the Agreement. Further, if in the judgment of the NCC Chair such changes are significant, they will be submitted to the Board of Directors for approval at its next regular meeting.

b. Chair of NCC may grant minor waivers of standard policy to meet the business needs of the convention. Such waivers must be in writing and signed by the NCC Chair and HC chair and reported to the HC President and the National President.

7. Termination of Agreement

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a. Up to six months prior to the first day of the convention, HC may withdraw for cause from Agreement on 30 days written notice to Chair of NCC and National President. NCC and National President will make a decision within 30 days after notification to either continue the convention plan under national sponsorship or terminate the convention plan. If the decision is to continue under national sponsorship, HC will turn over to NCC all business and financial records for the convention and all revenues received, except those properly documented and reasonable funds already expended by HC. If the decision is to terminate, HC will cancel all contracts, refund all revenues, and be responsible for all costs incurred, including costs of cancellation.

b. NO may withdraw from the letter of agreement at any time for cause upon written notice to the HC from NCC and the National President. Such cause may include, but is not limited to, the HC refusing or lacking the ability to adhere to the terms of the Letter of Agreement, or this convention policy, dishonesty or conduct of any kind which endangers the good name of the NRHS. The HC will transfer all revenues received, less reasonable and documented expenses incurred on behalf of the convention. HC will submit the remaining revenue to the national treasurer. The HC must submit the business and financial records, along with the remaining revenue within 30 days of receipt of written notice by the NCC or by the first day of the convention, whichever occurs first. The NCC and the National President may terminate the convention, or continue the convention under National direction.

8. Joint Convention Agreement

After BOD awards a Joint Convention proposal, HC shall conclude a written agreement with the partner organization in the name of the HC. This agreement will document financial terms, sales procedures, and designated contact persons in each organization. The NCC must review and approve the Joint Convention Agreement before it is signed by HC.

D. Financial Arrangements

1. Accounting

HC must account for convention finances separate from regular chapter operations. HC will establish separate bank account(s) for the convention and a separate convention treasurer position. Convention treasurer must be bonded.

2. Inspection and Audit

NO has the right to inspect and audit convention financial records and accounts at any time. NO has the right to inspect and audit Excluded accounts whether processed through convention accounts or chapter accounts.

3. Financial Statements

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a. HC shall provide NCC with regular financial progress reports, at a frequency to be agreed between HC and NCC.

b. Preliminary financial statement by account shall be presented to the NCC and the National President not less than two weeks before the next regular BOD meeting following the convention. Preliminary statement shall include a projection of final revenues and expenses.

c. Final financial statement by account shall be presented to the NCC and the National President as soon as available thereafter, preferably by two weeks before the second BOD meeting following the convention. By the time of the final statement, all advances should be repaid and convention accounts reduced to specific reserves for unresolved issues and contingencies. Final statement will be submitted to BOD for approval after audit and approval by NCC.

4. Loans & Advances

a. HC may advance funds to convention for early administrative costs. Advance is to be identified in convention accounting and repaid to chapter when sufficient funds are available from pre-registration fees and event sales. Interest charged not to exceed a percentage rate published as Wall Street Journal Prime, in effect at the time of the loan. This interest may be charged as a convention expense and, if done, must be so indicated in the convention accounting.

b. NO may loan convention start-up funds to HC if necessary. Terms and conditions of such a loan must be documented in a separate agreement.

5. Settlement

a. Joint Convention settlement with partner organization is to be made before final financial statement is presented to NO.

b. Cost of National Functions (see H1) to be paid by NO are to be invoiced to NCC. If the invoice is approved, NCC will forward it to the National President and Treasurer for payment. These costs are not to be handled as deductions from settlements.

c. Convention Net, if a surplus, shall be divided as follows: 50% each of first \$10,000 to HC and NO; 80% to HC and 20% to NO of all net over \$10,000.

d. Convention Net, if a loss, shall be absorbed by HC.

e. At the time of the preliminary financial statement, HC will make a substantial distribution, in the amount of 50% of the first \$10,000 of NO portion, or if convention net is estimated to be less than \$10,000, 50% of the amount less than \$10,000, of estimated surplus to National Treasurer. HC should retain adequate reserves for all open and unresolved issues.

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f. HC will make distribution of remainder of estimated NO portion of surplus to National Treasurer at time of final financial statement. NO portion of any liquidated reserves held by HC should also be sent to the National Treasurer at this time.

g. Any reserves or contingency funds remaining after the final financial statement should be liquidated as soon as practical after the final statement and not more than two years after the convention date. The NCC may grant a waiver to this two-year limit if substantial funds are involved in litigation that is still unresolved at the cutoff date.

E. Registration & Ticketing

1. Registration Fee

a. Registration fee will be collected with each ticket order. Registration fee is intended to cover administration costs, advertising, brochures, and other overhead costs of the convention.

b. One fee is required for each family (member and immediate family residing at the same address). Anyone else included on the same ticket order must be separately registered. Supplementary ticket orders from the same family do not require a second registration fee.

c. Amount of registration fee is set by HC subject to approval by NCC. Registration fee charged to non-members must be at least \$5.00 higher than for members. Exception: At a Joint Convention, registration fee for members of the partner organization should be the same as for NRHS members. HC is to provide NO with names and addresses of all non-members who register for the convention.

2. Pre-Registration Fee

a. HC will establish a procedure for members to pre-register ahead of the opening of ticket sales. Members who pre-register will be charged a pre-registration fee.

b. Pre-registration fee replaces the registration fee for those members who pre-register. The conditions in paragraph E. 1. b. apply to pre-registrations.

c. HC may use pre-registration fees to fund administration, publicity, deposits, and other advance costs ahead of the receipt of ticket revenue.

d. HC should begin accepting pre-registrations no later than the start of the previous year's convention. Pre-registration period should end no later than the target date for mailing out convention brochures to pre-registrants.

e. Amount of pre-registration fee is set by HC subject to approval by NCC. It must be at least \$5.00 less than registration fee for the same convention.

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f. Pre-registration is available only to members of the NRHS. A space for membership number must be included on the pre-registration form. Exception: At a Joint Convention, pre-registration must be available to members of the partner organization at the same fee as for NRHS members.

g. Pre-registration fees are non-refundable and non-transferable. Pre-registration fee entitles the member to receive the convention brochure by first class mail in an initial mailing. It does not guarantee the member space availability on any convention event. HC must include these terms on the portion of the pre-registration form retained by the member.

h. A member may request a convention brochure by completing a pre-registration form and omitting the pre-registration fee. This option permits a member to receive the convention brochure by First Class Mail. The HC will mail the brochures to members under this option no sooner than 15 days after mailing the brochures to the members who pre-registered for the convention. Orders for tickets under this option will not be filled until a published date at least 30 days after the mailing to those who paid pre-registration, and such orders will require the payment of the full registration fee.

3. Distribution of Brochures

a. Printing and mailing of pre-registration forms and convention brochures is a convention expense, except for inclusions in NRHS News as noted below (see F1).

b. HC is not required to send brochures to members who do not pre-register or request a brochure.

c. NO may choose to include a convention order form and a condensed description of events in the NRHS News at NO expense. In this event, editor of NRHS News will notify HC and NCC in writing of intent to do so, and HC will provide required information and order form to NRHS News. Distribution of NRHS News will be by bulk mail (except outside USA) and will begin no less than 30 days after first class mailing to members who pre-register.

4. Event Sales

a. HC must open all events for sale upon mailing of brochures to members who pre-register. Sales should open in three phases per a schedule published in the convention brochure: members who pre-register, members (at least 30 days after those who pre-register), and non-members (30 days before first convention event). HC is to devise an equitable system to prioritize and sequence orders received.

b. In Joint Conventions, members of the partner organization are to be treated equally as NRHS members.

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c. No event space will be held back from sale for the second or third sales phases. In the event that extra capacity is later added beyond the original plan, first priority for this space should go to people on a waiting list.

5. Cancellations & Refunds

a. HC must establish a ticket refund policy, to be approved by NCC, prior to printing brochures. The refund policy is to be clearly stated in convention brochure in portion retained by the member.

b. HC has discretion to make individual exceptions to refund policy in special situations and hardship situations without prior approval by NCC.

6. Use of Credit Cards

HC must make provision for use of credit cards for sale of convention events and registration fees. Credit card arrangements are to be in place before distribution of brochures to pre-registrants. Credit cards accepted should include at a minimum Visa and MasterCard, although other cards may be added at HC discretion. HC should anticipate credit card fees in determining event pricing, and should record fees as a convention expense.

F. Publicity

1. NRHS News

a. NO will make available normal features of NRHS News at no cost to convention for distribution of pre-registration material and news bulletins and publicity for convention. (See also E3c above).

b. If HC wants to go beyond normal features of NRHS News (e.g. color, significantly excessive page count), NO will bill these charges at cost to HC as a convention expense.

c. NRHS News and Bulletin make a strong effort to publish and distribute on a planned schedule. NO does not guarantee this schedule, however, and is not responsible for delays. NRHS News and distribution of Bulletin will not be delayed for late delivery of convention material.

2. Bulletin

a. Bulletin staff shall include, advertisements or notices for an upcoming convention, in any and all NRHS publications, as space permits, at no charge to the HC. Determination of the placement of the material is entrusted to the Bulletin Editor, under the supervision of NO. Bulletin Editor shall consult with NCC, and inform NCC on behalf of NO, of the placement of advertisements or notices in advance of their publication.

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b. HC may choose to include convention material or publicity as stitched-in insert in Bulletin or to overprint Bulletin envelopes for issue containing pre-registration material. This requires out-of-pocket costs to NO, and such costs will be billed to HC as convention expense

c. Schedule disclaimer in F1c above also applies to overprinted envelopes and material stitched into Bulletin.

3. Website

NO will provide link to HC website and/or convention website from NRHS national website at no cost to convention. NO's Director – Internet Services will work with HC directly to establish this link at any time after completion of Agreement.

4. NRHS News Extra

HC may include promotional material in NRHS News Extra mailings to chapter presidents, national directors, and editors subject to the normal rules for such enclosures. Printing the enclosures is a Convention Expense.

G. Contracts

1. All contracts with vendors, service providers, etc. shall be in the name of the HC and shall include the language required in Section 15, Article XI of the Bylaws of the NRHS.

2. HC may request General Counsel to review draft contracts, provide guidance, and to negotiate with suppliers. Normal services of the General Counsel, but not litigation and other extraordinary expenses, will be at no charge to the convention.

H. National Functions

1. National Meetings

a. HC shall arrange times and rooms for NO functions to be held at the convention, unless instructed in writing by National President to omit one or more of these requirements:

- i. National Board of Directors (2 – 2.5 hours, 150 – 200 attendees)
- ii. Annual Meeting of the Membership (1.5 – 2 hours, 150 – 200 attendees)
- iii. Membership reception (“Meet the Officers” or other theme)(3 hours, reception, about 100 people at any one time)
- iv. Small room for staff and committee meetings.

2. Expenses

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a. HC should attempt to include all national function rooms in complementary function room count for the convention.

b. Direct out-of-pocket room charges, if any, and refreshment charges for national functions will be paid by national Treasurer. HC should send an invoice to NCC. If the invoice is approved, NCC will forward it to the National President and Treasurer for payment. Room charges are to be billed directly and not deducted from final report settlement.

3. Setup Arrangements

a. HC should consult National President through NCC to determine setup arrangements for reception and needs for meeting room.

b. HC should set up meeting room for BOD and Annual meeting per directions in separate publication "National Directors' Meeting Guidelines".

4. Scheduling

a. HC should consult National President through NCC to negotiate times for national functions.

b. HC should not schedule a major or unique convention event opposite the Board of Directors meeting. Scheduling sections of events offered multiple times during the convention during this period is acceptable.

c. No convention events should be scheduled opposite the Annual Meeting, although sales and display areas may remain open during this time.

5. Meeting Access

Board of Directors and Annual meetings are open to all NRHS members as long as order can be maintained and attendance does not exceed the safe capacity of the room. Payment of registration fee, purchase of a ticket or display of convention ID badge is not required for admission to these functions.

6. Joint Conventions

If requested by the partner organization in a Joint Convention, HC may arrange meeting functions for that organization. Costs, if any, for these functions should be billed to the partner organization.

I. Annual Banquet

Annual Banquet must be held as part of the convention unless HC obtains prior approval in writing from NCC to dispense with such an event. HC is responsible for making banquet arrangements. The HC may provide complimentary meals and related travel expenses to banquet speakers and entertainers and report these costs as a convention expense.

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J. Ticketing & Hotels - NRHS Officials

1. National Officer & Staff Expenses

National Officers and staff are responsible for their own expenses for hotels, meals, and event tickets at convention, except as listed below in this part, and will purchase their event tickets through the normal registration and ticketing process. HC and convention have no obligation to comp, subsidize, or reserve event tickets for national staff.

2. National Officer & Staff Hotel Space

In order to assure that national officers and key staff people are housed at the convention headquarters hotel, HC should set aside 10 rooms at the headquarters hotel to be assigned through the national headquarters. NRHS headquarters staff will work with HC hotel coordinator to assign this space. All unused rooms in this allocation will be released to the convention at least 10 days before the hotel's cutoff date.

3. Event Access for Web Reporter

NO may place a reporter aboard convention events to report for NRHS website. HC will provide a pass or one set of tickets to NRHS reporter without cost. NO will reimburse HC at cost for direct out-of-pocket expenses incurred to carry reporter (e.g. box lunch included in train ticket price), but not consumption of space. HC should present an invoice for these costs to NCC, who will review and forward it for payment. Reporter's pass or tickets should be at standard or coach class on multi-class events, provided reporter is given access to higher service classes for brief visits for the purpose of reporting and photography for the website. Reporter should also be given access to seminars and banquet program for purpose of reporting.

4. National Sales & Display Space

a. HC is to provide table or counter space in a convenient public area of the headquarters hotel (e.g. in registration room or hospitality lounge) for NRHS Emblem Sales activity.

b. HC will provide floor space in a convenient public area of the headquarters hotel to hold a stand-alone display for NRHS-endorsed insurance program.

c. HC will provide space in a convenient public area of the headquarters hotel for use by HC of following year convention for promotion and pre-registration.

K. Ticketing & Hotels - Press & PR

1. HC should establish a policy covering passes and comp tickets for rail-oriented and community-oriented press coverage.

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2. HC has the authority to issue a small number of comp tickets to convention events for public relations and community relations purposes.

L. National Oversight

1. NCC is empowered by NO to take necessary steps to assure each convention is conducted in a manner pursuant to the policies of the NRHS.

2. NCC will conduct periodic reviews of convention planning and proposed program with the HC at a mutually agreed schedule and location. Meeting notes must be published for each review meeting documenting major topics reviewed, agreements reached, and unresolved issues with next steps to reach resolution.

3. NCC is the primary contact between HC and NO. In some cases, NCC and HC may determine it is most efficient to have specific people in HC and NO work directly to resolve a specific issue. In such cases, NCC must be copied on correspondence and advised of all agreements.

M. Convention Contact Points

1. HC must establish communications links to allow people to contact the HC with questions and receive prompt answers. At a minimum, this must include a mailing address and a convention telephone number published in the convention brochure. The telephone number must be equipped with an answering machine or directed to an answering service at hours when the telephone number is not staffed. It is recommended, but not mandatory, that HC also set up a fax number and/or an e-mail address to receive questions.

2. NO will direct convention inquiries to contact points established by HC.

N. Historical Record

1. HC is to keep a general historical record of the convention, including statistical, photographic, and narrative data. Before the actual convention, HC must designate a member or members to work with Editor of the National Railway Bulletin to prepare an article for the Bulletin, to be published roughly six months following the convention. Unless agreed otherwise, HC people will be the primary authors of the text.

2. HC must provide statistical information to the NCC in a format designated by the NCC within three months following the conclusion of the convention for inclusion in a convention planning database. NCC will present HC with basic information requirements at or about the time convention brochures are mailed to pre-registrants, in order for HC to collect and retain necessary data.

O. Appeal Procedure

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If the HC disagrees with a decision of the NCC concerning the implementation of this policy, HC may appeal the decision to an Appellate Committee, consisting of the NRHS President, NRHS Senior Vice President and NRHS Vice President. The HC must submit a written appeal within 30 days following written or electronic notification of the adverse decision to the National Office, which shall receive the appeal on behalf of the Appellate Committee. The Appellate Committee shall respond to the HC's appeal within 30 days.

If the Appellate Committee affirms the decision of the NCC, the HC may appeal the decision of that Appellate Committee to the Board of Directors. The HC must submit a written appeal within 30 days following written or electronic notification of the adverse decision, to the National Office, which shall receive the appeal on behalf of the Board of Directors. The Board of Directors shall consider the appeal from the decision of the Appellate Committee at the next regularly scheduled meeting of the Board of Directors.