Form 1023 Checklist
(Revised June 2006)
Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

✔ Assemble the application and materials in this order:
  • Form 1023 Checklist
  • Form 2848, Power of Attorney and Declaration of Representative (if filing)
  • Form 8821, Tax Information Authorization (if filing)
  • Expedite request (if requesting)
  • Application (Form 1023 and Schedules A through H, as required)
  • Articles of organization
  • Amendments to articles of organization in chronological order
  • Bylaws or other rules of operation and amendments
  • Documentation of nondiscriminatory policy for schools, as required by Schedule B
  • Form 5768, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation (if filing)
  • All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.

✔ User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.

✔ Employer Identification Number (EIN)

✔ Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
  • You must provide specific details about your past, present, and planned activities.
  • Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
  • Describe your purposes and proposed activities in specific easily understood terms.
  • Financial information should correspond with proposed activities.

✔ Schedules. Submit only those schedules that apply to you and check either “Yes” or “No” below.

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule A</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule B</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule C</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule D</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule E</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Schedule F</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule G</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Schedule H</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.

- Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) **Pg 2 Art II Para 1**
- Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law **Pg 12 Art XV Para 1**

Signature of an officer, director, trustee, or other official who is authorized to sign the application.

- Signature at Part XI of Form 1023.

Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 312  
Covington, KY 41011
We are requesting an expedited application process because we have the following donations lined up and waiting on our approved status, but they have hard limited that they will not donate the items after the dates specified.

<table>
<thead>
<tr>
<th>Donating Entity</th>
<th>Item</th>
<th>Value</th>
<th>Time Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Maddock</td>
<td>1/8 Scale Speeder</td>
<td>3,000</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Mount Rainier Scenic Railroad</td>
<td>Full size antique speeder</td>
<td>5,000</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Mount Rainier Scenic Railroad</td>
<td>Full size antique velocipede</td>
<td>3,500</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Jerry Gibbons</td>
<td>1/8 scale locomotive</td>
<td>20,000</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Jerry Gibbons</td>
<td>1/8 scale cars</td>
<td>5,000</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Jerry Gibbons</td>
<td>1/8 track</td>
<td>2,500</td>
<td>End of 11/14</td>
</tr>
<tr>
<td>Dan Morris</td>
<td>1/8 scale steple cab locomotive</td>
<td>12,000</td>
<td>End of 12/14</td>
</tr>
<tr>
<td>Dan Morris</td>
<td>1/8 scale trolley car</td>
<td>8,000</td>
<td>End of 12/14</td>
</tr>
<tr>
<td>Dan Morris</td>
<td>1/8 scale cars</td>
<td>5,000</td>
<td>End of 12/14</td>
</tr>
<tr>
<td><strong>Total Value of Donations</strong></td>
<td></td>
<td><strong>64,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
Use the instructions to complete this application and for a definition of all bold items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

## Part I Identification of Applicant

1. Full name of organization (exactly as it appears in your organizing document)
   **Great Northern & Cascade Railway**

2. c/o Name (if applicable)
   **GNC Railway GNCR**

3. Mailing address (Number and street) (see instructions)
   PO Box 195

4. Room/Suite

5. Employer Identification Number (EIN)
   90-1007722

6. Month the annual accounting period ends (01 – 12)
   07

7. City or town, state or country, and ZIP + 4
   Skykomish, WA 98288

8. Are you represented by an authorized representative, such as an attorney or accountant? If “Yes,” provide the authorized representative’s name, and the name and address of the authorized representative’s firm. Include a completed Form 2848, Power of Attorney and Declaration of Representative, with your application if you would like us to communicate with your representative.
   ☑ Yes ☑ No

9a. Name:
   **Kevin Weiderstrom / President**

9b. Phone:
   360-282-6676

9c. Fax: (optional)

10. Organization’s website:
    www.gncrailway.org
    www.facebook.com/gncrailway

11. Organization’s email: (optional)
    info@gncrailway.org

12. Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)
    07 / 30 / 2013

13. Were you formed under the laws of a foreign country?
    If “Yes,” state the country.
    ☑ Yes ☑ No
Part II: Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) DO NOT file this form unless you can check “Yes” on lines 1, 2, 3, or 4.

1 Are you a corporation? If “Yes,” attach a copy of your articles of incorporation showing certification of filing with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. ☑ Yes ☐ No

2 Are you a limited liability company (LLC)? If “Yes,” attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. ☐ Yes ☑ No

3 Are you an unincorporated association? If “Yes,” attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. ☐ Yes ☑ No

4a Are you a trust? If “Yes,” attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. ☐ Yes ☑ No

b Have you been funded? If “No,” explain how you are formed without anything of value placed in trust. ☑ Yes ☐ No

5 Have you adopted bylaws? If “Yes,” attach a current copy showing date of adoption. If “No,” explain how your officers, directors, or trustees are selected. ☑ Yes ☐ No

Part III: Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): ☑ Page 2, Article II, Paragraph 1

2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☑

2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. ☑ Page 12, Article XV, Paragraph 1

2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: Washington ☑

Part IV: Narrative Description of Your Activities

Using an attachment, describe your past, present, and planned activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V: Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter “none” if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Mailing address</th>
<th>Compensation amount (annual actual or estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kevin Weiderstrom</td>
<td>President</td>
<td>PO Box 195 Skkykomish, WA 98288</td>
<td>None</td>
</tr>
<tr>
<td>David Childs</td>
<td>Vice-President</td>
<td>PO Box 204 Skkykomish, WA 98288</td>
<td>None</td>
</tr>
<tr>
<td>Debbie Allegri</td>
<td>Secretary</td>
<td>PO Box 396 Skkykomish, WA 98288</td>
<td>None</td>
</tr>
<tr>
<td>Lloyd Albin</td>
<td>Treasurer</td>
<td>14612 139th Ave SE Snohomish, WA 98290</td>
<td>None</td>
</tr>
<tr>
<td>Curt Young</td>
<td>Director</td>
<td>12915 Old Snohomish Monroe Snohomish, WA 98290</td>
<td>None</td>
</tr>
</tbody>
</table>
Part V  Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than $50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Mailing address</th>
<th>Compensation amount (annual actual or estimated)</th>
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<tr>
<td></td>
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<td>None</td>
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The following “Yes” or “No” questions relate to past, present, or planned relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees related to each other through family or business relationships? If “Yes,” identify the individuals and explain the relationship.  

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

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3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

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b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trustees.

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If “Yes,” identify the individuals and describe the business relationship with each of your officers, directors, or trusts
<table>
<thead>
<tr>
<th>Part V</th>
<th>Compensations and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)</th>
</tr>
</thead>
<tbody>
<tr>
<td>d</td>
<td>Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?</td>
</tr>
<tr>
<td>e</td>
<td>Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.</td>
</tr>
<tr>
<td>f</td>
<td>Do you or will you record in writing both the information on which you relied to base your decision and its source?</td>
</tr>
<tr>
<td>g</td>
<td>If you answered “No” to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.</td>
</tr>
</tbody>
</table>

5a Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If “Yes,” provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If “No,” answer lines 5b and 5c.

b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?

c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments, such as discretionary bonuses or revenue-based payments? If “Yes,” describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.

b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than $50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If “Yes,” describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.

7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If “Yes,” describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm’s length, and explain how you determine or will determine that you pay no more than fair market value. Attach copies of any written contracts or other agreements relating to such purchases.

b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If “Yes,” describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm’s length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales.

8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If “Yes,” provide the information requested in lines 8b through 8f.

b Describe any written or oral arrangements that you made or intend to make.

c Identify with whom you have or will have such arrangements.

d Explain how the terms are or will be negotiated at arm’s length.

e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.

f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If “Yes,” provide the information requested in lines 9b through 9f.
Part V  Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b Describe any written or oral arrangements you made or intend to make.

c Identify with whom you have or will have such arrangements.

d Explain how the terms are or will be negotiated at arm’s length.

e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.

f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI  Your Members and Other Individuals and Organizations That Receive Benefits From You

The following “Yes” or “No” questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to past, present, and planned activities. (See instructions.)

1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If “Yes,” describe each program that provides goods, services, or funds to individuals.

   □ Yes  ✔ No

1b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If “Yes,” describe each program that provides goods, services, or funds to organizations.

   □ Yes  ✔ No

2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer “Yes,” if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If “Yes,” explain the limitation and how recipients are selected for each program.

   □ Yes  ✔ No

3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If “Yes,” explain how these related individuals are eligible for goods, services, or funds.

   □ Yes  ✔ No

Part VII  Your History

The following “Yes” or “No” questions relate to your history. (See instructions.)

1 Are you a successor to another organization? Answer “Yes,” if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If “Yes,” complete Schedule G.

   □ Yes  ✔ No

2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If “Yes,” complete Schedule E.

   □ Yes  ✔ No

Part VIII  Your Specific Activities

The following “Yes” or “No” questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to past, present, and planned activities. (See instructions.)

1 Do you support or oppose candidates in political campaigns in any way? If “Yes,” explain.

   □ Yes  ✔ No

2a Do you attempt to influence legislation? If “Yes,” explain how you attempt to influence legislation and complete line 2b. If “No,” go to line 3a.

   □ Yes  ✔ No

b Have you made or are you making an election to have your legislative activities measured by expenditures by filing Form 5768? If “Yes,” attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If “No,” describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.

   □ Yes  □ No

3a Do you or will you operate bingo or gaming activities? If “Yes,” describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data.

   □ Yes  ✔ No

b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If “Yes,” describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm’s length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements.

   □ Yes  ✔ No

c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.
Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake fundraising? If “Yes,” check all the fundraising programs you do or will conduct. (See instructions.)

☐ mail solicitations
☐ email solicitations
☑ personal solicitations
☐ vehicle, boat, plane, or similar donations
☑ foundation grant solicitations

Accept donations on your website
Receive donations from another organization’s website
Government grant solicitations
Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If “Yes,” describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements.

Yes No

Do you or will you engage in fundraising activities for other organizations? If “Yes,” describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements.

Yes No

List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

Yes No

Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer “Yes” if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor’s contribution account. If “Yes,” describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors.

Yes No

5 Are you affiliated with a governmental unit? If “Yes,” explain.

Yes No

6a Do you or will you engage in economic development? If “Yes,” describe your program.

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

Yes No

7a Do or will persons other than your employees or volunteers develop your facilities? If “Yes,” describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees.

Yes No

b Do or will persons other than your employees or volunteers manage your activities or facilities? If “Yes,” describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.

Yes No

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm’s length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

7b Do you or will you enter into joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If “Yes,” describe the activities of these joint ventures in which you participate.

Yes No

9a Are you applying for exemption as a childcare organization under section 501(k)? If “Yes,” answer lines 9b through 9d. If “No,” go to line 10.

Yes No

b Do you provide child care so that parents or caretakers of children you care for can be gainfully employed (see instructions)? If “No,” explain how you qualify as a childcare organization described in section 501(k).

Yes No

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If “No,” explain how you qualify as a childcare organization described in section 501(k).

Yes No

d Are your services available to the general public? If “No,” describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k).

Yes No

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If “Yes,” explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.

Yes No
Part VIII  Your Specific Activities (Continued)

11  Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If “Yes,” describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution.

12a  Do you or will you operate in a foreign country or countries? If “Yes,” answer lines 12b through 12d. If “No,” go to line 13a.

b  Name the foreign countries and regions within the countries in which you operate.

c  Describe your operations in each country and region in which you operate.

d  Describe how your operations in each country and region further your exempt purposes.

13a  Do you or will you make grants, loans, or other distributions to organization(s)? If “Yes,” answer lines 13b through 13g. If “No,” go to line 14a.

b  Describe how your grants, loans, or other distributions to organizations further your exempt purposes.

c  Do you have written contracts with each of these organizations? If “Yes,” attach a copy of each contract.

d  Identify each recipient organization and any relationship between you and the recipient organization.

e  Describe the records you keep with respect to the grants, loans, or other distributions you make.

f  Describe your selection process, including whether you do any of the following:

(i)  Do you require an application form? If “Yes,” attach a copy of the form.

(ii) Do you require a grant proposal? If “Yes,” describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

g  Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.

14a  Do you or will you make grants, loans, or other distributions to foreign organizations? If “Yes,” answer lines 14b through 14f. If “No,” go to line 15.

b  Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.

c  Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or organization? If “Yes,” list all earmarked organizations or countries.

d  Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If “Yes,” describe how you relay this information to contributors.

e  Do you or will you make pre-grant inquiries about the recipient organization? If “Yes,” describe these inquiries, including whether you inquire about the recipient’s financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.

f  Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If “Yes,” describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are used appropriately.
Part VIII  Your Specific Activities (Continued)

15  Do you have a close connection with any organizations? If “Yes,” explain.  ✔ Yes  ☐ No

16  Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If “Yes,” explain.  ☐ Yes  ✔ No

17  Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If “Yes,” explain.  ☐ Yes  ✔ No

18  Are you applying for exemption as a charitable risk pool under section 501(n)? If “Yes,” explain.  ☐ Yes  ✔ No

19  Do you or will you operate a school? If “Yes,” complete Schedule B. Answer “Yes,” whether you operate a school as your main function or as a secondary activity.  ☐ Yes  ✔ No

20  Is your main function to provide hospital or medical care? If “Yes,” complete Schedule C.  ☐ Yes  ✔ No

21  Do you or will you provide low-income housing or housing for the elderly or handicapped? If “Yes,” complete Schedule F.  ☐ Yes  ✔ No

22  Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If “Yes,” complete Schedule H.

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.
For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

### A. Statement of Revenues and Expenses

<table>
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<th>Type of revenue or expense</th>
<th>Current tax year</th>
<th>3 prior tax years</th>
<th>2 succeeding tax years</th>
<th>(a) From 11/13 To 10/14</th>
<th>(b) From 7/13 To 10/13</th>
<th>(c) From 11/14 To 10/15</th>
<th>(d) From 11/15 To 10/16</th>
<th>(e) Provide Total for (a) through (d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Gifts, grants, and</td>
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<td>7,645</td>
<td>5,048</td>
<td>10,000</td>
<td>10,000</td>
<td>37,089</td>
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<td>unusual grants)</td>
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<td>2 Membership fees received</td>
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<td>1,360</td>
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<td>1,830</td>
<td>1,830</td>
<td>5,860</td>
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<td>6 Value of services or</td>
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<td>11,830</td>
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<td>grants, and similar</td>
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<td>20 Occupancy (rent,</td>
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<td>1,000</td>
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<tr>
<td>24 Total Expenses</td>
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<td>16,120</td>
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<td>Add lines 14 through 23</td>
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### Part IX  Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cash</td>
<td>1 7,104</td>
</tr>
<tr>
<td>2 Accounts receivable, net</td>
<td>2 -0-</td>
</tr>
<tr>
<td>3 Inventories</td>
<td>3 2,000</td>
</tr>
<tr>
<td>4 Bonds and notes receivable (attach an itemized list)</td>
<td>4 -0-</td>
</tr>
<tr>
<td>5 Corporate stocks (attach an itemized list)</td>
<td>5 -0-</td>
</tr>
<tr>
<td>6 Loans receivable (attach an itemized list)</td>
<td>6 -0-</td>
</tr>
<tr>
<td>7 Other investments (attach an itemized list)</td>
<td>7 -0-</td>
</tr>
<tr>
<td>8 Depreciable and depletable assets (attach an itemized list)</td>
<td>8 -0-</td>
</tr>
<tr>
<td>9 Land</td>
<td>9 -0-</td>
</tr>
<tr>
<td>10 Other assets (attach an itemized list)</td>
<td>10 -0-</td>
</tr>
<tr>
<td>11 Total Assets (add lines 1 through 10)</td>
<td>11 9,104</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Accounts payable</td>
</tr>
<tr>
<td>13 Contributions, gifts, grants, etc. payable</td>
</tr>
<tr>
<td>14 Mortgages and notes payable (attach an itemized list)</td>
</tr>
<tr>
<td>15 Other liabilities (attach an itemized list)</td>
</tr>
<tr>
<td>16 Total Liabilities (add lines 12 through 15)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Balances or Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 Total fund balances or net assets</td>
</tr>
<tr>
<td>18 Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)</td>
</tr>
</tbody>
</table>

Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If “Yes,” explain.

- Yes  
- No

### Part X  Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

1a Are you a private foundation? If “Yes,” go to line 1b. If “No,” go to line 5 and proceed as instructed.

- Yes  
- No

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2.

- Yes  
- No

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If “Yes,” go to line 3. If “No,” go to the signature section of Part XI.

- Yes  
- No

3 Have you existed for one or more years? If “Yes,” attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If “No,” continue to line 4.

- Yes  
- No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation?

- Yes  
- No

5 If you answered “No” to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

- Yes  
- No

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A.
- b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B.
- c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C.
- d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D.
Part X  Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv) — an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(v) — an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2) — an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6  If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

   - **a Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, Extending the Tax Assessment Period, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

   - **b Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).

   - (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses.  
     (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is “None,” check this box.
   - (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is “None,” check this box.
     (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) $5,000. If the answer is “None,” check this box.

7  Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If “Yes,” attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual.

   - Yes
   - No
Form 1023 (Rev. 6-2006)  

Name: **Great Northern & Cascade Railway**  

EIN: **90 – 1007722**  

Page 12

**Part XI  User Fee Information**

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed $10,000 annually over a 4-year period, you must submit payment of $750. If your gross receipts have not exceeded or will not exceed $10,000 annually over a 4-year period, the required user fee payment is $300. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type “User Fee” in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

1  Have your annual gross receipts averaged or are they expected to average not more than $10,000? [ ] Yes ☑ No

   If “Yes,” check the box on line 2 and enclose a user fee payment of $300 (Subject to change—see above).

   If “No,” check the box on line 3 and enclose a user fee payment of $750 (Subject to change—see above).

2  Check the box if you have enclosed the reduced user fee payment of $300 (Subject to change).

3  Check the box if you have enclosed the user fee payment of $750 (Subject to change).

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

**Please Sign Here**

(Signature of Officer, Director, Trustee, or other authorized official)

**Lloyd Albin**

(Type or print name of signer)  

( ) Treasurer  

(Date)

**Reminder:** Send the completed Form 1023 Checklist with your filled-in-application.
ARTICLES OF INCORPORATION
Chapter 24.03 RCW

ARTICLE 1
NAME OF CORPORATION:
Great Northern & Cascade Railway

(MAY NOT contain any of the following designations or abbreviations of: Corporation, Company, Incorporated, Limited, Limited Partnership, Limited Liability Company, or Limited Liability Partnership. If one of the prohibited designations is used, it will be removed when processed.)

ARTICLE 2
EFFECTIVE DATE OF INCORPORATION: (Please check one of the following)
✓ Upon filing by the Secretary of State
□ Specific Date: ________________ (Specified effective date must be within 90 days AFTER the Articles of Incorporation have been filed by the Office of the Secretary of State)

ARTICLE 3
TENURE: (Please check one of the following and indicate the date if applicable)
✓ Perpetual existence
□ Specific term of existence ________________ (Number of years or date of termination)

ARTICLE 4
PURPOSE FOR WHICH THE NONPROFIT IS ORGANIZED: (if necessary, attach additional information)
See Attached Sheet

ARTICLE 5
IN THE EVENT OF A VOLUNTARY DISSOLUTION, THE NET ASSETS WILL BE DISTRIBUTED AS
FOLLOWS: (if necessary, attach additional information) See Attached Sheet
### ARTICLE 6

**NAME AND ADDRESS OF EACH INITIAL DIRECTOR:** *(If necessary, attach additional names and addresses)*

<table>
<thead>
<tr>
<th>Name:</th>
<th>Kevin Weiderstrom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>PO Box 195</td>
</tr>
<tr>
<td>City:</td>
<td>Skykomish</td>
</tr>
<tr>
<td>State:</td>
<td>WA</td>
</tr>
<tr>
<td>Zip Code:</td>
<td>98288</td>
</tr>
</tbody>
</table>

### ARTICLE 7

**NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Kevin Weiderstrom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Location Address <em>(required)</em>:</td>
<td>104 NORTH 5TH</td>
</tr>
<tr>
<td>City:</td>
<td>Skykomish</td>
</tr>
<tr>
<td>State:</td>
<td>WA</td>
</tr>
<tr>
<td>Zip Code:</td>
<td>98288</td>
</tr>
</tbody>
</table>

**Mailing or Postal Address *(optional)*:**

| PO Box 195 |
| City: | Skykomish |
| State: | WA |
| Zip Code: | 98288 |

**CONSENT TO SERVE AS REGISTERED AGENT:**

I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.

**Signature of Registered Agent**:

| Kevin Weiderstrom | 7/30/2013 |

### ARTICLE 8

**NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:** *(If necessary, attach additional names, addresses and signatures)*

<table>
<thead>
<tr>
<th>Name:</th>
<th>Kevin Weiderstrom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>PO Box 195</td>
</tr>
<tr>
<td>City:</td>
<td>Skykomish</td>
</tr>
<tr>
<td>State:</td>
<td>WA</td>
</tr>
<tr>
<td>Zip Code:</td>
<td>98288</td>
</tr>
</tbody>
</table>

**This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.**

| Kevin Weiderstrom / President | 7/30/2013 | 4252318797 |

**Signature of Incorporator**

**Printed Name/Title**

**Date**

**Phone**

---

**Important note:** If your nonprofit organization is currently fundraising, or plans to fundraise from the public, it may also be required to register with the Charities Program of the Secretary of State. Registration with the Charities Program is separate from, and in addition to, filings required under corporate law. Please visit the Charities Program website at [www.sos.wa.gov/charities/](http://www.sos.wa.gov/charities/) to review the registration requirements and forms for Charitable Organizations.
ARTICLE 4
The Great Northern & Cascade Railway is a non-profit organization to promote the Great Northern & Cascade Railway Park and Museum. This includes building, landscaping, and operation of the Great Northern & Cascade Railway Park & Museum plus building, operation, interest and enjoyment of live steam locomotives or other live steam engines as a hobby and to educate the people and children regarding the steam engine. The Great Northern & Cascade Railway is to also preserve historical railway equipment and to educate people about historical and modern railways, operations and train safety.

ARTICLE 5
In the event of dissolution of this corporation, its assets remaining after payment or provisions for payment of debts and liabilities of this corporations shall be distributed first to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)3 of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code to succeed this entity or second to the Town of Skykomish for the specific use of making improvements to the Great Northern & Cascade Railway Park or any other live steam park or third to any nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)3 of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code.

ARTICLE 6
Name: Kevin Weiderstrom    Title: Director/President
Address: PO Box 195, Skykomish, WA 98288

Name: David Childs    Title: Director/Vice-President
Address: PO Box 204, Skykomish, WA 98288

Name: Debbie Allegri    Title: Director/Secretary
Address: PO Box 396, Skykomish, WA 98288

Name: Lloyd Albin    Title: Director/Treasurer
Address: 14612 139th Ave SE, Snohomish, WA 98290
ARTICLE 8

Name: Curt Young       Title: Director
Address: 12915 Old Snohomish Monroe Rd, Snohomish, WA 98290

Name: Kevin Weiderstrom       Title: Director/President       Phone: 425-231-8797
Address: PO Box 195, Skykomish, WA 98288

Signature: [Signature]   7/29/2013

Name: David Childs       Title: Director/Vice-President       Phone: 206-550-0468
Address: PO Box 204, Skykomish, WA 98288

Signature: [Signature]   7/29/2013

Name: Debbie Allegri       Title: Director/Secretary       Phone: 425-903-2665
Address: PO Box 396, Skykomish, WA 98288

Signature: [Signature]   7/29/2013

Name: Lloyd Albin       Title: Director/Treasurer       Phone: 425-220-3000
Address: 14612 139th Ave SE
Snohomish, WA 98290

Signature: [Signature]   7/29/13
Name: Curt Young  
Title: Director  
Phone: 360-568-8751

Address: 12915 Old Snohomish Monroe Rd, Snohomish, WA 98290

Signature: 

[Signature]
By-Laws

of

Great Northern
& Cascade Railway
ARTICLE I
NAME

SECTION 1.1 NAME:
The name of this organization shall be the GREAT NORTHERN & CASCADE RAILWAY (GNCR).

ARTICLE II
PURPOSES

SECTION 2.1 PURPOSES:
The Great Northern & Cascade Railway is a non-profit organization to promote the Great Northern & Cascade Railway Park and Museum. This includes building, landscaping, and operation of the Great Northern & Cascade Railway Park & Museum plus building, operation, interest and enjoyment of live steam locomotives or other live steam engines as a hobby and to educate the people and children regarding the steam engine. The Great Northern & Cascade Railway is to also preserve historical railway equipment and to educate people about historical and modern railways, operations and train safety.

ARTICLE III
MEETINGS

SECTION 3.1 PLACE OF MEETINGS:
All meetings of the members shall be held at a place designated for that purpose from time to time by the Board of Directors.

SECTION 3.2 ANNUAL MEETING:
The annual meeting of the members shall be held on the first Saturday in November in each year at the hour of 2:00 P.M., at which time the members shall elect by plurality vote a board of Directors, consider reports of the affairs of the Corporation, and transact such other business as may properly be brought before the meeting.

SECTION 3.3 REGULAR AND SPECIAL MEETINGS:
Regular meetings will be held on the first Saturday of each month during the published operating schedule, if not a legal holiday weekend, then on the next succeeding Saturday, at the hour of 5:00 PM. Special meetings may be called at any time by the President, or by any member of the Board of Directors.
SECTION 3.4 NOTICE OF MEETINGS

Notices of all regular meetings will be published in advance in the Chronicle. Notice of annual meeting shall be posted on the website & emailed ten days in advance by the Secretary, or in case of his absence, by any Director or officer.

SECTION 3.5 QUORUM

Quorum of Members shall be those in attendance, and must include the President or Vice President, and Secretary or Acting Secretary appointed by the Chair.

SECTION 3.7 VOTING RIGHTS

Each regular member is entitled to one vote.

ARTICLE IV
DIRECTORS – MANAGEMENT

SECTION 4.1 POWERS

Subject to the limitation of the Articles of Incorporation, of the By-Laws and of the Laws of the State of Washington as to the actions to be authorized or approved by the members, all corporate powers shall be exercised by or under authority of, and the business and affairs of the corporation shall be controlled by a Board of Directors.

SECTION 4.2 NUMBER:

The authorized number of Directors of the corporation shall be four.

SECTION 4.3 NOMINATING COMMITTEE:

Each year the Board of Directors shall appoint a nominating committee consisting of three members. The announcement of this committee shall be made not later than the August meeting. The committee is to canvass the membership for qualified candidates who are willing to serve as Directors. The committee will submit a slate of not less than three names of candidates to the Secretary and to the membership at the October meeting. Immediately thereafter the President shall call for additional nominations from the floor.
SECTION 4.4 NOVEMBER MEETING NOTICES-BALLOTS:

The Secretary shall email notices of the Annual November meeting to the members at least three weeks in advance of the meeting date. With these notices a ballot with the names of candidates. After printing and marking their ballots, the members must return them to the Secretary by mail and received before the Annual November meeting.

SECTION 4.5 ELECTION:

As first order of business at the annual November meeting, the President shall appoint an election committee, consisting of three members, who are not candidates. This committee is to open the ballot envelopes and count the ballots.

The four candidates receiving the highest number of votes shall be declared elected as Directors. In the event of a tie, a vote by secret ballot shall decide the winner. Results of the election shall be announced immediately.

SECTION 4.6 TENURE OF OFFICE:

The term of office of Directors shall begin immediately upon their election; and each Director so elected shall hold office for three years or until their successor is named.

SECTION 4.7 VACANCIES:

Any vacancy in the office of Director however created or arising shall be filled by a majority vote of the remaining Directors, though less than a quorum.

SECTION 4.8 QUORUM:

A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business.

ARTICLE V
OFFICERS

SECTION 5.1 OFFICERS:

The officers shall be a President, a Vice President, a Secretary and a Treasurer, which officers shall be elected by the Board and hold office for five years. These officers must be Board members and continue until their successors are elected.

SECTION 5.2 REMOVAL AND RESIGNATION:
Any officer may be removed, either with or without cause, by a majority vote of the Directors, at any regular or special meeting of the Board.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President, or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.3 VACANCIES:
A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the By-Laws for the election to such office by the Directors.

SECTION 5.4 PRESIDENT:
The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the corporation. The President shall preside at all meetings of the members and of the Board of Directors. The President shall be an ex-officio member of all the standing committees and shall have the general powers and duties usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the By-Laws.

SECTION 5.5 VICE PRESIDENT:
The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President.

SECTION 5.6 SECRETARY:
The Secretary, or someone designated by the Board of Directors, shall attend all sessions of the Board of Directors and all meetings of the members, and record all votes and minutes of all proceedings in a book to be kept for that purpose. The Secretary shall keep the corporate seal of the corporation and affix the corporate seal to all papers requiring a seal. The Secretary shall discharge such other duties as pertain to his office, or which may be required by law, or by these By-Laws or by the Board of Directors.

SECTION 5.7 TREASURER:
The Treasurer shall receive and keep all the funds of the corporation, and pay them out only on the check of the corporation, signed in the manner authorized by the Board of Directors. A complete and detailed account of all disbursements shall be kept by the Treasurer and shall be read to the Board of Directors at each business meeting.
ARTICLE VI
CAPITAL ASSET MANAGEMENT AND COMMITTEES

SECTION 6.1 ROADMASTER:
The Board of Directors shall appoint a Roadmaster who shall have sole responsibility for the construction of and maintenance of all organization owned facilities and equipment. The Roadmaster or a designee will plan, schedule and organize all construction and maintenance activities, coordinating all construction and maintenance activities with the Board of Directors. All changes, deletions, or additions made to existing facilities or equipment will be done only with the Board of Directors approval. The Roadmaster shall serve until replaced by the Board of Directors.

SECTION 6.2 SUPERINTENDANT OF MOTIVE POWER:
The Board of Directors shall appoint a Superintendent of Motive Power (SMP) who shall have sole responsibility for the maintenance and upkeep of all steam powered GNCR owned equipment. The SMP or a designee will plan, schedule and organize all maintenance activities, coordinating maintenance activities with the Board of Directors. All major modifications and maintenance issues will be done only with the Board of Directors approval. The SMP shall serve until replaced by the Board of Directors.

SECTION 6.3 CAR FOREMAN:
The Board of Directors shall appoint a Car Foreman who shall have sole responsibility for the maintenance and upkeep of all non-steam powered GNCR owned rolling stock. The CF or a designee will plan, schedule and organize all maintenance activities, coordinating maintenance activities with the Board of Directors. All major modifications and maintenance issues will be done only with the Board of Directors approval. The Car Foreman shall serve until replaced by the Board of Directors.

SECTION 6.4 APPOINTMENT OF COMMITTEES:
The Board of Directors may appoint committees as may be necessary from time to time with such powers as it may designate. Such committees shall hold office at the pleasure of the board.

ARTICLE VII
CORPORATE BUSINESS RECORDS & REPORTS
INSPECTION
SECTION 7.1 RECORDS:

The corporation shall maintain adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at its principal place of business in the State of Washington, as fixed by the Board of Directors from time to time.

All books and records shall be open to inspection of the Directors and members.

The original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the members of the club.

SECTION 7.2 CHECKS, DRAFTS, ETC.:

All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable by the corporation shall be made by check in an account carried under the name of "Great Northern & Cascade Railway", as clearly imprinted on each check. Any of two signatures of the President, Vice President or Treasurer must appear on any check over $200. At no time shall any fiscal commitment be made unless sufficient funds exist to cover it.

SECTION 7.3 CONTRACTS, ETC., HOW EXECUTED:

The Board of Directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or member shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

ARTICLE VIII
ELIGIBILITY

SECTION 8.1 ELIGIBILITY:

Any person who subscribes to the purpose of this organization as stated in Article II of these By-Laws and is at least 18 years of age and has demonstrated a tangible interest sufficient to satisfy the Board of Directors is eligible for membership.
Any person between 10 and 17 years of age, who subscribes to the purpose of this organization as stated in Article II of these By-Laws, who has secured the sponsorship of an adult Regular Member, and who has demonstrated a tangible interest to satisfy the Board of Directors is eligible for Junior Membership. Junior Members shall not have voting privileges, nor be eligible to hold office, but shall enjoy other benefits of membership.

In addition the person must have a valid National Model Railroad Association (NMRA) membership to be eligible to become a member.

SECTION 8.2 CHARACTER QUALIFICATIONS:

Because of the member’s relationship with the public on an educational and public relation basis and personal contact with children of all ages, it is mandatory that any applicant for membership be of good moral character, sound integrity and have a record of honesty beyond question.

SECTION 8.3 SPONSORS:

Prospective Junior Members shall be sponsored by an adult Regular Member, such sponsor to be responsible for the department of the Junior Member and the adherence of the Junior Member to all GNCR Safety Rules and By-Laws.

SECTION 8.3 CONSIDERATION:

All applicants shall be referred to the Board of Directors for consideration.

In order to be eligible for consideration, all Junior Member applications shall include parental consent and an executed medical release form.

All applicants shall serve a six month probationary period prior to consideration by the Board of Directors for approval as a Regular or Junior Member. In the case where a Junior Member has at least six months membership and becomes eligible to apply for Regular Membership, the probationary period may be waived by the Board of Directors.

SECTION 8.4 DECISION:

The acceptance of an applicant for membership will be subject to ratification by the Board of Directors.

SECTION 8.5 CLOSING OR RE-OPENING MEMBERSHIP:
Membership may be closed or re-opened to applicants at any regular meeting by a majority vote.

SECTION 8.6 SUSPENSION OR EXPULSION:
A member may be suspended or expelled for cause by a majority vote of the Board of Directors at a regular meeting after due consideration.

SECTION 8.7 SUSPENSION OR EXPULSION NOTIFICATION:
Any member being considered for suspension or expulsion shall be notified by certified mail by the Secretary at least ten (10) days prior to the regular meeting at which the case is to be considered.

SECTION 8.8 RIGHTS RELINQUISHED:
Any member suspended, expelled or dropped from membership or who resigns, automatically relinquishes all rights to property of, operated by or controlled by the Great Northern & Cascade Railway.

SECTION 8.9 REINSTATION:
A member so suspended may be reinstated by a majority vote by the Board of Directors at a regular meeting, provided the current initiation fee and the current annual dues are paid in advance, regardless of dues paid before suspension. Expulsion shall be final and irrevocable.

ARTICLE IX
NON-RESIDENT MEMBERS

SECTION 9.1 DISTANCE:
A non-resident member will be a person residing 100 miles or more away, using the shortest route (ferries not included), from the track site of the Great Northern & Cascade Railway, and who meets qualification for regular membership.

SECTION 9.2 NO VOTING RIGHTS:
Non-resident members will not have voting privileges or hold office, but will enjoy all other membership benefits.

SECTION 9.3 INITIATION FEE AND DUES:
The initiation fee is waived and yearly dues are set at $5.00 per annum payment on the same basis as regular memberships.
ARTICLE X
HONORARY MEMBERSHIP

SECTION 10.1 ELIGIBILITY:

Any person who owns and operates a live steam locomotive or other live steam engine or who has made an outstanding contribution to the Great Northern & Cascade Railway, or to the fraternity of live steam hobbyists, may be nominated for Honorary Membership.

SECTION 10.2 HONORARY PROSPECTS:

Any member may propose the name of a prospective honorary member by submitting in writing to the Board of Directors the qualifications of such prospect. A three-fourth majority of the vote of the general membership present at the time of consideration shall be required to elect a nominee to Honorary Membership.

SECTION 10.3 PRIVILEGES:

Honorary Members shall have all the privileges of a regular member, but shall not be required to pay an initiation fee or dues.

ARTICLE XI
REGULAR MEMBERSHIP INITIATION FEE AND DUES

SECTION 11.1 INITIATION FEE:

The initiation fee shall be $5.00.

SECTION 11.2 DUES:

Annual dues shall be $5.00 for Regular Members and $5.00 for Junior Members, payable in advance. Annual membership ends on the same date as the members NMRA membership expiration date. Membership shall not be prorated. The Treasurer shall collect all dues and initiation fees and report such collection to the Board.

SECTION 11.3 DELINQUENT MEMBERS NOTIFIED:

The Secretary shall send an email notice to all members who are arrears in dues, as of their expiration date, and in such notice shall call their attention to the provisions of Section 11.04, Article XI of these By-Laws. No further notice is required.
SECTION 11.4 DELINQUENT MEMBERS DROPPED:
Any member, whose dues remain unpaid after their expiration date shall be dropped from membership.

SECTION 11.5 REINSTATEMENT OF DELINQUENT MEMBERS:
Reinstatement of a member so dropped may be made by the payment of the regular initiation fee and the regular dues in advance for the current year.

ARTICLE XII
SAFETY RULES

Section 12.1:
Adequate regulations governing the operation of equipment at Great Northern & Cascade Railway, sponsored events shall be issued to each member.

ARTICLE XIII
RESPONSIBILITY OF PARTICIPANTS

Section 13.1
The act of any person using the facilities of the Great Northern & Cascade Railway, or participating in any event of this organization whatever shall be considered as cognizance of the provisions of the By-Laws and Rules of this organization and shall thereby be bound to abide by same.

ARTICLE XIV
AMENDMENTS TO BY-LAWS

SECTION 14.1 INTRODUCTION:
All proposed amendments to these By-Laws must be submitted in writing and read to the members present at a regular meeting for discussion and consideration. The Proposed amendment shall be signed by a minimum of ten (10) members each having a membership of five (5) years or more.

SECTION 14.2 NOTIFICATION:
The Secretary shall notify all members of the vote to be taken on the proposed amendment at the next regular meeting. Said notices shall be a part of the regular meeting announcement.

SECTION 14.3 ADOPTION:

After due consideration, final adoption of any proposed amendment to these By-Laws shall be by three-fourths majority vote of the members present at the next meeting following the introduction of proposed amendments.

SECTION 14.4 RECORD OF AMENDMENTS:

Whenever an amendment or new By-Law is adopted, it shall be copied in the Book of By-Laws with the original By-Laws, in the appropriate place, if any By-Law is repealed, the fact of repeal. In either case the date of the meeting at which the action was taken shall be entered in the margin.

ARTICLE XV
DISSOLUTION

SECTION 15.1 DISSOLUTION

In the event of dissolution of this corporation, its assets remaining after payment or provisions for payment of debts and liabilities of this corporation shall be distributed first to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code to succeed this entity or second to the Town of Skykomish for the specific use of making improvements to the Great Northern & Cascade Railway Park or any other live steam park or third to any nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code.

DATED 7-24-2013
By-Laws
of
Great Northern & Cascade Railway
ARTICLE I
NAME

SECTION 1.1 NAME:
The name of this organization shall be the GREAT NORTHERN & CASCADE RAILWAY (GNCR).

ARTICLE II
PURPOSES

SECTION 2.1 PURPOSES:
The Great Northern & Cascade Railway is a non-profit organization to promote the Great Northern & Cascade Railway Park and Museum. This includes building, landscaping, and operation of the Great Northern & Cascade Railway Park & Museum plus building, operation, interest and enjoyment of live steam locomotives or other live steam engines as a hobby and to educate the people and children regarding the steam engine. The Great Northern & Cascade Railway is to also preserve historical railway equipment and to educate people about historical and modern railways, operations and train safety.

ARTICLE III
MEETINGS

SECTION 3.1 PLACE OF MEETINGS:
All meetings of the members shall be held at a place designated for that purpose from time to time by the Board of Directors.

SECTION 3.2 ANNUAL MEETING:
The annual meeting of the members shall be held on the first Saturday in November in each year at the hour of 2:00 P.M., at which time the members shall elect by plurality vote a board of Directors, consider reports of the affairs of the Corporation, and transact such other business as may properly be brought before the meeting.

SECTION 3.3 REGULAR AND SPECIAL MEETINGS:
Regular meetings will be held on the first Saturday of each month during the published operating schedule, if not a legal holiday weekend, then on the next succeeding Saturday, at the hour of 5:00 PM. Special meetings may be called at any time by the President, or by any member of the Board of Directors.
SECTION 3.4 NOTICE OF MEETINGS

Notice of annual meeting shall be posted on the website & emailed ten days in advance by the Secretary, or in case of his absence, by any Director or officer.

SECTION 3.5 QUORUM

Quorum of Members shall be those in attendance, and must include the President or Vice President, and Secretary or Acting Secretary appointed by the Chair.

SECTION 3.7 VOTING RIGHTS

Each regular member is entitled to one vote.

ARTICLE IV
DIRECTORS – MANAGEMENT

SECTION 4.1 POWERS

Subject to the limitation of the Articles of Incorporation, of the By-Laws and of the Laws of the State of Washington as to the actions to be authorized or approved by the members, all corporate powers shall be exercised by or under authority of, and the business and affairs of the corporation shall be controlled by a Board of Directors.

SECTION 4.2 NUMBER:

The authorized number of Directors of the corporation shall be four.

SECTION 4.3 NOMINATING COMMITTEE:

Each year the Board of Directors shall appoint a nominating committee consisting of three members. The announcement of this committee shall be made not later than the August meeting. The committee is to canvass the membership for qualified candidates who are willing to serve as Directors. The committee will submit a slate of not less than three names of candidates to the Secretary and to the membership at the October meeting. Immediately thereafter the President shall call for additional nominations from the floor.

SECTION 4.4 NOVEMBER MEETING NOTICES-BALLOTS:
The Secretary shall email notices of the Annual November meeting to the members at least three weeks in advance of the meeting date. With these notices a ballot with the names of candidates. After printing and marking their ballots, the members must return them to the Secretary by mail and received before the Annual November meeting.

SECTION 4.5 ELECTION:
As first order of business at the annual November meeting, the President shall appoint an election committee, consisting of three members, who are not candidates. This committee is to open the ballot envelopes and count the ballots.

The four candidates receiving the highest number of votes shall be declared elected as Directors. In the event of a tie, a vote by secret ballot shall decide the winner. Results of the election shall be announced immediately.

SECTION 4.6 TENURE OF OFFICE:
The term of office of Directors shall begin immediately upon their election; and each Director so elected shall hold office for three years or until their successor is named.

SECTION 4.7 VACANCIES:
Any vacancy in the office of Director however created or arising shall be filled by a majority vote of the remaining Directors, though less than a quorum.

SECTION 4.8 QUORUM:
A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business.

ARTICLE V
OFFICERS

SECTION 5.1 OFFICERS:
The officers shall be a President, a Vice President, a Secretary and a Treasurer, which officers shall be elected by the Board and hold office for five years. These officers must be Board members and continue until their successors are elected.

SECTION 5.2 REMOVAL AND RESIGNATION:
Any officer may be removed, either with or without cause, by a majority vote of the Directors, at any regular or special meeting of the Board.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President, or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.3 VACANCIES:
A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the By-Laws for the election to such office by the Directors.

SECTION 5.4 PRESIDENT:
The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the corporation. The President shall preside at all meetings of the members and of the Board of Directors. The President shall be an ex-officio member of all the standing committees and shall have the general powers and duties usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the By-Laws.

SECTION 5.5 VICE PRESIDENT:
The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President.

SECTION 5.6 SECRETARY:
The Secretary, or someone designated by the Board of Directors, shall attend all sessions of the Board of Directors and all meetings of the members, and record all votes and minutes of all proceedings in a book to be kept for that purpose. The Secretary shall keep the corporate seal of the corporation and affix the corporate seal to all papers requiring a seal. The Secretary shall discharge such other duties as pertain to his office, or which may be required by law, or by these By-Laws or by the Board of Directors.

SECTION 5.7 TREASURER:
The Treasurer shall receive and keep all the funds of the corporation, and pay them out only on the check of the corporation, signed in the manner authorized by the Board of Directors. A complete and detailed account of all disbursements shall be kept by the Treasurer and shall be read to the Board of Directors at each business meeting.
ARTICLE VI
CAPITAL ASSET MANAGEMENT AND COMMITTEES

SECTION 6.1 ROADMASTER:
The Board of Directors shall appoint a Roadmaster who shall have sole responsibility for the construction of and maintenance of all organization owned facilities and equipment. The Roadmaster or a designee will plan, schedule and organize all construction and maintenance activities, coordinating all construction and maintenance activities with the Board of Directors. All changes, deletions, or additions made to existing facilities or equipment will be done only with the Board of Directors approval. The Roadmaster shall serve until replaced by the Board of Directors.

SECTION 6.2 SUPERINTENDANT OF MOTIVE POWER:
The Board of Directors shall appoint a Superintendent of Motive Power (SMP) who shall have sole responsibility for the maintenance and upkeep of all steam powered GNCR owned equipment. The SMP or a designee will plan, schedule and organize all maintenance activities, coordinating maintenance activities with the Board of Directors. All major modifications and maintenance issues will be done only with the Board of Directors approval. The SMP shall serve until replaced by the Board of Directors.

SECTION 6.3 CAR FOREMAN:
The Board of Directors shall appoint a Car Foreman who shall have sole responsibility for the maintenance and upkeep of all non steam-powered GNCR owned rolling stock. The CF or a designee will plan, schedule and organize all maintenance activities, coordinating maintenance activities with the Board of Directors. All major modifications and maintenance issues will be done only with the Board of Directors approval. The Car Foreman shall serve until replaced by the Board of Directors.

SECTION 6.4 APPOINTMENT OF COMMITTEES:
The Board of Directors may appoint committees as may be necessary from time to time with such powers as it may designate. Such committees shall hold office at the pleasure of the board.

ARTICLE VII
CORPORATE BUSINESS RECORDS & REPORTS
INSPECTION
SECTION 7.1 RECORDS:
The corporation shall maintain adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at its principal place of business in the State of Washington, as fixed by the Board of Directors from time to time.

All books and records shall be open to inspection of the Directors and members.

The original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the members of the club.

SECTION 7.2 CHECKS, DRAFTS, ETC.:
All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable by the corporation shall be made by check in an account carried under the name of "Great Northern & Cascade Railway", as clearly imprinted on each check. Any of two signatures of the President, Vice President or Treasurer must appear on any check over $200. At no time shall any fiscal commitment be made unless sufficient funds exist to cover it.

SECTION 7.3 CONTRACTS, ETC., HOW EXECUTED:
The Board of Directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or member shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

ARTICLE VIII
ELIGIBILITY

SECTION 8.1 ELIGIBILITY:
Any person who subscribes to the purpose of this organization as stated in Article II of these By-Laws and is at least 18 years of age and has demonstrated a tangible interest sufficient to satisfy the Board of Directors is eligible for membership.
Any person between 10 and 17 years of age, who subscribes to the purpose of this organization as stated in Article II of these By-Laws, who has secured the sponsorship of an adult Regular Member, and who has demonstrated a tangible interest to satisfy the Board of Directors is eligible for Junior Membership. Junior Members shall not have voting privileges, nor be eligible to hold office, but shall enjoy other benefits of membership.

SECTION 8.2 CHARACTER QUALIFICATIONS:
Because of the member’s relationship with the public on an educational and public relation basis and personal contact with children of all ages, it is mandatory that any applicant for membership be of good moral character, sound integrity and have a record of honesty beyond question.

SECTION 8.3 SPONSORS:
Prospective Junior Members shall be sponsored by an adult Regular Member, such sponsor to be responsible for the deportment of the Junior Member and the adherence of the Junior Member to all GNCR Safety Rules and By-Laws.

SECTION 8.3 CONSIDERATION:
All applicants shall be referred to the Board of Directors for consideration.

In order to be eligible for consideration, all Junior Member applications shall include parental consent.

All applicants shall serve a six month probationary period prior to consideration by the Board of Directors for approval as a Regular or Junior Member. In the case where a Junior Member has at least six months membership and becomes eligible to apply for Regular Membership, the probationary period may be waived by the Board of Directors.

SECTION 8.4 CLOSING OR RE-OPENING MEMBERSHIP:
Membership may be closed or re-opened to applicants at any regular meeting by a majority vote.

SECTION 8.5 SUSPENSION OR EXPULSION:
A member may be suspended or expelled for cause by a majority vote of the Board of Directors at a regular meeting after due consideration.
SECTION 8.6 SUSPENSION OR EXPULSION NOTIFICATION:
Any member being considered for suspension or expulsion shall be notified by certified mail by the Secretary at least ten (10) days prior to the regular meeting at which the case is to be considered.

SECTION 8.7 RIGHTS RELINQUISHED:
Any member suspended, expelled or dropped from membership or who resigns, automatically relinquishes all rights to property of, operated by or controlled by the Great Northern & Cascade Railway.

SECTION 8.8 REINSTATEMENT:
A member so suspended may be reinstated by a majority vote by the Board of Directors at a regular meeting, provided the current initiation fee and the current annual dues are paid in advance, regardless of dues paid before suspension. Expulsion shall be final and irrevocable.

ARTICLE IX
NON-RESIDENT MEMBERS

SECTION 9.1 DISTANCE:
A non-resident member will be a person residing 100 miles or more away, using the shortest route (ferries not included), from the track site of the Great Northern & Cascade Railway, and who meets qualification for regular membership.

SECTION 9.2 NO VOTING RIGHTS:
Non-resident members will not have voting privileges or hold office, but will enjoy all other membership benefits.

SECTION 9.3 INITIATION FEE AND DUES:
The initiation fee is waived and yearly dues are set at $20.00 per annum payment on the same basis as regular memberships.

ARTICLE X
FAMILY MEMBERS

SECTION 10.1 FAMILY:
This membership is for a maximum of 2 adults plus children and grandchildren.
SECTION 10.2 INITIATION FEE AND DUES:
The initiation fee is $5 and yearly dues are set at $60.00 per annum payment on the same basis as regular memberships.

ARTICLE XI
ASSOCIATE MEMBERS

SECTION 11.1 ASSOCIATE:
Cascade Federal Credit Union will issue Associate Membership cards when associate member are signed up through Cascade Federal Credit Union.

SECTION 11.2 NO VOTING RIGHTS:
Non-resident members will not have voting privileges or hold office.

SECTION 11.3 INITIATION FEE AND DUES:
The initiation fee is $5 and yearly dues are waived.

ARTICLE XII
HONORARY MEMBERSHIP

SECTION 12.1 ELIGIBILITY:
Any person who owns and operates a live steam locomotive or other live steam engine or who has made an outstanding contribution to the Great Northern & Cascade Railway, or to the fraternity of live steam hobbyists, may be nominated for Honorary Membership.

SECTION 12.2 HONORARY PROSPECTS:
Any member may propose the name of a prospective honorary member by submitting in writing to the Board of Directors the qualifications of such prospect. A three-fourth majority of the vote of the general membership present at the time of consideration shall be required to elect a nominee to Honorary Membership.

SECTION 12.3 PRIVILEGES:
Honorary Members shall have all the privileges of a regular member, but shall not be required to pay an initiation fee or dues.
ARTICLE XIII

REGULAR MEMBERSHIP INITIATION FEE AND DUES

SECTION 13.1 INITIATION FEE:
The initiation fee shall be $5.00.

SECTION 13.2 DUES:
Annual dues shall be $40.00 for Regular Members and $5.00 for Junior Members, payable in advance. Annual memberships end on 12/31 of each year. Membership shall not be prorated. The Treasurer shall collect all dues and initiation fees and report such collection to the Board.

SECTION 13.3 DELINQUENT MEMBERS NOTIFIED:
The Secretary shall send an email notice to all members who are arrears in dues, as of their expiration date, and in such notice shall call their attention to the provisions of Section 11.04, Article XI of these By-Laws. No further notice is required.

SECTION 13.4 DELINQUENT MEMBERS DROPPED:
Any member, whose dues remain unpaid after their expiration date shall be dropped from membership.

SECTION 13.5 REINSTATEMENT OF DELINQUENT MEMBERS:
Reinstatement of a member so dropped may be made by the payment of the regular initiation fee and the regular dues in advance for the current year.

ARTICLE XIV

SAFETY RULES

Section 14.1:
Adequate regulations governing the operation of equipment at Great Northern & Cascade Railway sponsored events shall be issued to each member.

Section 14.2:
Skykomish Fire Department once a year will hold a free first aid training class. It is recommended for all members to attend.
ARTICLE XV
RESPONSIBILITY OF PARTICIPANTS

Section 15.1
The act of any person using the facilities of the Great Northern & Cascade Railway, or participating in any event of this organization whatever shall be considered as cognizance of the provisions of the By-Laws and Rules of this organization and shall thereby be bound to abide by same.

ARTICLE XVI
AMENDMENTS TO BY-LAWS

SECTION 16.1 INTRODUCTION:
All proposed amendments to these By-Laws must be submitted in writing and read to the members present at a regular meeting for discussion and consideration. The Proposed amendment shall be signed by a minimum of ten (10) members each having a membership of five (5) years or more.

SECTION 16.2 NOTIFICATION:
The Secretary shall notify all members of the vote to be taken on the proposed amendment at the next regular meeting. Said notices shall be a part of the regular meeting announcement.

SECTION 16.3 ADOPTION:
After due consideration, final adoption of any proposed amendment to these By-Laws shall be by three-fourths majority vote of the members present at the next meeting following the introduction of proposed amendments.

SECTION 16.4 RECORD OF AMENDMENTS:
Whenever an amendment or new By-Law is adopted, it shall be copied in the Book of By-Laws with the original By-Laws, in the appropriate place, if any By-Law is repealed, the fact of repeal. In either case the date of the meeting at which the action was taken shall be entered in the margin.

ARTICLE XVII
DISSOLUTION
SECTION 17.1 DISSOLUTION

In the event of dissolution of this corporation, its assets remaining after payment or provisions for payment of debts and liabilities of this corporation shall be distributed first to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)3 of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code to succeed this entity or second to the Town of Skykomish for the specific use of making improvements to the Great Northern & Cascade Railway Park or any other live steam park or third to any nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)3 of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code.

DATED 4-19-2014
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<td>Bob Kelly</td>
<td>$500.00</td>
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<tr>
<td>11/13 – 10/14</td>
<td>Conrad Watne</td>
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<td></td>
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<tr>
<td></td>
<td>Cascade Federal Credit Union</td>
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<td>* Conrad Watne</td>
<td>*</td>
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<tr>
<td></td>
<td>* Conrad Watne</td>
<td>*</td>
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Cascade Federal Credit Union is donating a minimum of $250 per quarter for five years.

* Conrad Watne has stated he will donate every year, but we don’t know the dollar amount in advance.
### 7/13 - 10/13

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<tr>
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### 11/13 – 10/14

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### 11/14 – 10/15

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<tr>
<td>$119</td>
<td>Locomotive Fuel</td>
</tr>
<tr>
<td>$1,000</td>
<td>Locomotive / Car Repairs</td>
</tr>
<tr>
<td>$10</td>
<td>Postage</td>
</tr>
<tr>
<td>$1,000</td>
<td>Rack Cards / Souvenir Ride Tickets</td>
</tr>
<tr>
<td>$500</td>
<td>Office Supplies, Credit Card Machine</td>
</tr>
</tbody>
</table>

**Total:** $15,120

*Some of these may count as Fundraising expenses but we were not positive.*

### 11/15 – 10/16

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
<td>$773</td>
<td>Cost of Materials/Equipment for painting GN599 locomotive.</td>
</tr>
<tr>
<td>$15</td>
<td>Business Registration Fees</td>
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<tr>
<td>$2,000</td>
<td>1898 Depot Restoration and 1898 Tool Shed Restoration and other buildings</td>
</tr>
<tr>
<td>$2,500</td>
<td>Landscaping of the Park</td>
</tr>
<tr>
<td>$1,203</td>
<td>Liability &amp; Property Insurance</td>
</tr>
<tr>
<td>$6,000</td>
<td>Track, Switches, Track Improvements, etc.</td>
</tr>
<tr>
<td>$119</td>
<td>Locomotive Fuel</td>
</tr>
<tr>
<td>$1,000</td>
<td>Locomotive / Car Repairs</td>
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</tbody>
</table>

**Total:** $15,120

*Some of these may count as Fundraising expenses but we were not positive.*
Great Northern & Cascade Railway
90-1007722
Part IX – B – Line 14

**Lloyd Albin**

Loan Amounts:
$282 for Gift Store Goods
$25 for Gift Store Samples
$110 for Tickets and Business Cards
$222 for QuickBooks 2013 Pro
$160 for Gift Store Goods
$140 For Rack Cards
=====
$939 Total Loaned

$799 Current Balance

Terms: 0% Interest, Loan will be paid back when GNCR has spare fund or Loner may ask for funds and GNCR may pay at its discretion.

**Kevin Weiderstrom**

Loan Amounts:
$55 for Tickets
$66 for Bathroom Supplies
$466 for Castings to make switch stands
$167 for Track Expansion
$66 for Track Expansion
=====
$820 Total Loaned

$187 Current Balance

Terms: 0% Interest, Loan will be paid back when GNCR has spare fund or Loner may ask for funds and GNCR may pay at its discretion.
Great Northern and Cascade Railway
90-1007722
Part IV Description of Activities

Past Activities - Background

In March of 2011 the Skykomish Town Council voted to establish a Town Center Park out of vacant land with the key features of a 1898 Great Northern Train Depot and a model train to give rides to the public. The train rides would be the attraction to draw visitors from the urban area which would hopefully also generate income for the local five businesses. To accomplish these tasks a club was formed called the Great Northern and Cascade Railway (GNCR). Money to accomplish these tasks were from a fund administered through the Town of Skykomish, but funded by Burlington Northern Sante Fe Railway (BNSF) as part of a mitigation package. In addition, grants were obtained for renovating the depot and installing some landscaping features in the park.

To create the Park the land was graded and surfaced with gravel. The Depot was moved to the Park and GNCR assisted in writing grants to renovate Depot to near historical condition during Spring and Summer of 2011. Meanwhile track was being laid in the Park, a 45 foot long bridge and a 45 foot long tunnel was being constructed. All of the labor for the projects were supplied by volunteers. By the time Phase 1 had been completed some 22,000 person hours of volunteer labor had been supplied, and about $50,000 dollars of grant money had been spent to construct 2700 feet of 1/8 scale railroad track and purchase an engine. An additional $290,000 was spent on the Park to make area usable, move the Depot, and put in some minor landscaping. The Park was officially open and free rides were offered by GNCR club members to the public. Run days are on the weekends from May to end of October both Saturday and Sunday from 10 A.M. to 4 P.M.

BNSF also donated a surplus diesel engine GN599 to the Town as an added attraction for the Park and the engine is being re-gifted to GNCR.

The purpose GNCR is to promote the Town Center Park and Museum, an interest in trains and education of the public on the history of Skykomish and Great Northern Railway. Offering rides on a model railroad draws visitors from the urban areas to Skykomish (population 200) that benefits local businesses. Donations are accepted from the riders which pays for track maintenance and expansion.

In July of 2013 GNCR applied for and was granted a Washington State Non-profit classification. Since than GNCR activities are governed by donations and gifts and profits from it gift store.

Special Note on educational value of the Great Northern and Cascade Railway.

There is an educational opportunity for all visitors to the Town Center Park and Town. When visiting the historic Depot there are a number of old pictures on the walls showing steam trains of the local area. In addition inside the depot there are a number of railroad memorabilia:

- depot's original roll top desk
- pigeon hole mail drop box
- antique typewriter from the 1920's
- telegraph key and sounder to teach about Morse Code
- control stand and seat from vintage diesel locomotive to show what it was like in early diesel days (has sound effects)
Great Northern and Cascade Railway
90-1007722
Part IV Description of Activities

- large brass bell from logging train that ran through Skykomish
- model steam engine under construction for close up view of an engine
- model of Chapel Car to show more about the railroad history of the Northwest
- order board signal
- former Great Northern searchlight
- antique crossing signals
- full scale railroad velocipede (handcar) to show what early track inspectors used
- miscellaneous Great Northern ticket books, train manuals, railroad books, etc.

Most of the displays have an educational placard describing what the visitor is seeing in case a guide is not available.

Outside on the track one sees the 1/8 scale track. One can see how a railroad switch works, what the purpose of the ties are, see how the wheels engage with the track, why sweeping curves and low grade track is needed, proper loading of a railroad car, and in some cases how to re-rail a car.

There are 3 basic types of powered railroad engines that operate on the track, gasoline engine, electric, and live steam. The visitor can see the difference between how each operates. The steam engine is particularly educational as it is rare to see in real life on the modern railroad and has many moving parts.

Any visitors drawn into the town by the model railroad can also visit the town of Skykomish with a population of 200 where almost all the buildings are of historical value. There is also a museum. The currently active hotel and restaurant have been there since the 1922. The 1904 three story hotel is vacant, but it is still an impressive sight. In addition, for train fans there are 3 tracks that always have trains waiting for the green light to proceed through the tunnel, and frequent work trains parked on sidings with interesting track maintenance equipment. Trains pass by about every 45 minutes.

If one logs on to the GNCR website (http://gncrailway.com/) there is currently a eleven page history of Skykomish and Great Northern Railway from 1889 to 1955. The history from 1955 to present is under construction. There are also educational articles on How to Build a Home Track, How to Build a Radius Gauge, How to Build a Railroad Switch (rough draft currently). Other educational articles are planned in the future.

Past Activities since status as Non-profit

1. Special run days (weekdays) for Edmonds Parks and Recreation Senior Center, Monroe Youth Group, Young River Rafters, Bicycle Race Participants. These special run days each take about four hours to set up the trains and have GNCR club members run the trains and give a tour of the depot museum. These special run days promote good will with the Town of Skykomish and with the specific user group. The activity provide and educational opportunity and exposure to an activity outside of their normal activity. In return they may visit the town and town park
again and refer others to do so also. Since the town and GNCR are dependent on drawing in visitors for survival this is an important part of the function of GNCR.

2. Added trees, shrubs, and ground cover to landscaped feature in park. This was done on one of the run days with volunteers. Cost of the plants was paid for from GNCR ride donations. Landscaping adds to the positive experience of visiting the park and make it more likely they will come back, or refer others to visit park. We try to recruit youth members plus 4H groups to learn about planting and giving back to the community.

3. Four steaming bays and five switches were built to provide a method to load and unload visiting engines from vehicles. Steaming bays also provide convenient way to service steam engines at working height. This steaming bay material was paid for by large donation from club member, the switch material was paid for from ride donations, labor was from volunteers. This project was done during the non-run season in winter. It is a documented fact that steam engines create interest and so therefore draw in more visitors. An expected schedule for upcoming weekend is posted on the club website. We currently give small presentations to visitors while preparing steam engines and plan to give more elaborate demonstrations in the future. Project was built with over 900 person hours of volunteer labor.

4. Rebuilt 800 feet of track during winter. This project took about 200 person hours of volunteer labor and parts were paid for with donation money. A smoother track leads to less derailments and therefore increases rider enjoyment and safety.

5. The West Tunnel Portal was built to look like the new (1929) Cascade Tunnel Portal. It was constructed with volunteer labor. Some materials was purchased by the Town prior to 2013, and the rest was purchased from ride donation money. Estimated time was 20 person hours. When the Wellington tunnel portal is finished it will make it possible to landscape the top of tunnel which currently is a steel culvert. This has been a complaint of riders and the town for some time now. Enhancing the beauty of the tunnel will increase rider enjoyment and good will with Town. This portal gives us the opportunity to talk to people about the new Cascade Tunnel which is 7.8 miles long, the longest tunnel in the U.S. And why it was built after the Wellington Disaster of March 1, 1910, the worst avalanche disaster in U.S. history.

Current Activities

1. Five birthday parties were scheduled for this year. Two other events were scheduled on weekdays to accommodate a bicycle club, and a group from a Senior Center. GNCR members volunteer their time to give the rides which takes about 4 hours of their time. These special activities build return visits and word of mouth referrals and expose participants to trains and all the wonderful educational exhibits in the Depot.
2. Move and renovate shelter for public. This shelter will be used for visitors waiting for train rides and make it more comfortable by being able to wait out of blazing sun or pouring rain. There will be several picnic tables under the shelter for people to eat and talk. Will be very useful for special parties also. The Town supplied the labor to move in the shelter and volunteers will renovate the structure with money from ride donations. The shelter will result in a happier public, donations may go up, and also return visits. This helps GNCR maintain and expand its facilities and brings revenue into the Town.

3. Build a short loop connecting existing tracks so the direction the train runs can be reversed easily. Seeing the scenery going the opposite direction adds to the riding experience. Materials purchased with donation funds, and labor supplied by volunteers. A variation of the ride will add to rider satisfaction and return visits. Provides an educational opportunity to see how real railroads can change run direction also.

4. Move two shelters to build train storage shed. Town will supply labor to move structures and volunteers will connect and enclose them. Six switches will be made by volunteers. Materials will be purchased from ride donation money. Some 300 feet of storage will house all the engines and riding cars out of weather and in a secure location. With different engines readily available to pull riders the variety will add to donation and return visitors to Town and Park. There may be a turntable associated with this project providing an educational opportunity to show how a round house worked.

5. Modify interior of existing 9 foot culvert to look like 4 foot wide tunnel. This will add to rider's positive experience and lead to more return visits and word of mouth referrals. Donation money will purchase materials and will be installed by volunteer labor. Will give a truer educational experience of what it looks like to travel in a tunnel.

6. Purchase $1500 worth of trees, shrubs, and ground cover to complete partially finished landscaped area. Material purchased with donation money and planted by volunteers. Adding to landscaped area makes for a more pleasant park environment and will draw more people to the area. An educational experience for those that have never planted anything and to learn how to design overall look.

7. Repainted and replaced roof on historic Great Northern Tool shed. Material and labor paid for out of donation money. Need to preserve building to finish activity in future which will be to educate visitors about antique railroad tools.

8. Build the east portal of the tunnel to look like the old Cascade Tunnel Portal (1900) at Wellington. This will be built by volunteers and materials supplied by ride donation money. This will give the opportunity to discuss the history of the old Cascade Tunnel, snow sheds, and Wellington.
Future Activities

All the future activities will be accomplished as donation money, grants, or gifts become available. Labor, if feasible, will be done with volunteers. Future activities far outstrip the available money and manpower currently available. As these projects are completed it will help draw visitors into Skykomish and the Park and provide additional educational opportunities. Some projects will aid in keeping track and equipment in safe running condition.

1. Finish restoration of Great Northern Tool shed, obtain antique railroad tools, and display for public viewing. Will be a great learning opportunity.

2. Landscape the top of the tunnel to provide an aesthetic view of tunnel.

3. Build 1500 feet of additional track to provide additional ride experience. Will have active switches so riders can see how various routes are selected.

4. Install power to equipment storage shed to recharge electric engines.

5. Build small shop to repair equipment and maintain safe operation.

6. Build switch yard for visiting engines. They can park engines and visit educational displays, or educate the public about their engine and cars.

7. Build snowshed on south side of tunnel. Snow sheds were an important component of the old Cascade Tunnel. Will provide an educational opportunity to show what they looked like and why they were needed.

8. Move and re-paint Great Norther Diesel in front of Depot. This will be an excellent educational opportunity for visitors to see an antique diesel inside and out. Displays describing features and tours are planned.

9. Acquire and display additional antique railroad memorabilia inside Depot to further educational experience.

10. Build and display scale model of several historic train depots that no longer exist that will be placed along the track starting with the Wellington Depot and then adding dioramas of other depots towards the town of Skykomish. Educational opportunity to show what they looked like, why they were there, and why they were abandoned.

11. Design and install historic information place cards for displays.
2a. The vice president of the club, Dave Child, is the son of the secretary, Debbie Allegri.

2b. The club has a contract with the Town of Skykomish to pay a monthly rent, plus utilities, for six months. The town council also votes on approving future projects. The president of GNCR is also on the town council, but town conflict of interest rules prevents him from voting on GNCR issues.

5b. Since none of the officers or directors are compensated no procedures are needed to prevent conflict of interest.

5c. Since none of the officers or directors are selling anything to the club there are no business deals which can be influenced.

7b. While there are no current or future sales pending, there is the possibility in the future. If we obtain donations of materials at are not needed, or can not be used, a sale may be in the club's interest to obtain additional oppositional funds. To keep sale to any officer or director at arm's length they will not be permitted to set the price. An internet search for similar objects for sale will be the preferred choice.

8b & 8c. The President, Kevin Weiderstrom and Treasurer, Lloyd Albin both have made oral arrangements for personal loans to the GNCR for start up funds.

8d & 8e. All the loans carry no interest and have no fixed date for repayment. GNCR determines who to pay or loaner may ask for repayment and GNCR may pay at is discretion.

8f. All loans are verbal.
Line 4a. While currently we have not participated in personal solicitations, foundation grant solicitations, accept donations on website, or government grant solicitations, we may in the future.

Personal Solicitations. In the future we may ask individuals for funds to complete a specific project. Such projects may be to help with maintenance or construction of existing or new infrastructure.

Foundation Grant Solicitations. There are business that have foundations to grant money for causes that fit their requirements.

Accept Donations on Website. While we are not set up to do this currently it may become possible in the future.

Government Grant Solicitations. There are grants that are available to fund activities in the historic Depot, add landscaping to Park, repair parking lot, and so forth.

Line 4d. Fund raising may be conducted from anywhere in Washington State, but mostly in King County at the Town of Skykomish.

Line 4e. We may keep a record of a monetary gift if the donor expresses the desire the money go to a certain activity. The Skykomish Historical Society donated money to help pay for the cost of re-painting the GN599 diesel back to its original colors. We will report how much was spent for project.

Line 6. The club engages in economic development because it is the draw to bring people into town. Currently on average about 500 people come into town each weekend during the 6 months we operate. That is about 2 1/2 times the population of the town. If even a fraction of the people spend money at the restaurant, deli, gas station, saloon, hotel, candy store, or museum it is an economic boost for community. In addition since almost all the buildings are of historical value if furthers their educational on life outside of their normal space.

7b. Since the Town owns the facilities it is possible for them to ask club members to work on a specific problem or host a specific event.

Line 10. We have are working to obtain rights from an artist. Artist will retain copyright, and club will pay a certain fee for each item sold.

Line 11. We may accept railroad memorabilia and railroad equipment. Donations of scale model engines and cars are waiting for approval of the 501c3 application. The only expectation of the donor is to receive a receipt to use with their tax form.

Line 15 and Line 5. We have a close connection to the Town of Skykomish. Since the engine, track, and buildings are owned by the Town we have a lease agreement with the Town and they have to approve of any projects and affects the park and facilities.