

**SAN DIEGO NORTHERN RAILWAY, INC.**  
**a California nonprofit public benefit corporation**

Minutes of Special Meeting of the Board of Directors  
Held September 17, 2009 at 4:00 pm.

**The special meeting of the directors of SAN DIEGO NORTHERN RAILWAY, INC., a California nonprofit corporation (the “Corporation”), was held at the Board Room, 810 Mission Avenue, Oceanside, CA 92054, on September 17, 2009, at 4:00 p.m, pursuant to, and in accordance with, Article 4, Section 7 of the Bylaws (“Bylaws”) of the Corporation.**

Bob Campbell, Chairman of the Board of Directors of the Corporation, called the meeting to order and presided as Chairperson of the meeting and, at the request of the Chairperson, C. Michael Cowett, Esq., of Best Best & Krieger LLP, legal counsel to the Corporation, acted as Secretary of the meeting and kept the minutes thereof.

The Secretary presented to the meeting the list of directors of the Corporation as reflected in the records of the Corporation showing that there were eight currently seated and incumbent directors of the Corporation entitled to vote at the meeting. The following directors were present at the meeting: Mark Packard (City of Carlsbad); Jerome Stocks (City of Encinitas); Sam Abed (City of Escondido); Jim Wood (Alternate, City of Oceanside); Chris Orlando (City of San Marcos); Dave Roberts (City of Solana Beach); Bob Campbell (City of Vista); Bill Horn (County of San Diego). The following director was absent from the meeting: Carl Hilliard (City of Del Mar)

The Secretary reported that a count of the directors present in person at the meeting indicated that, pursuant to Article 4, Section 9 of the Bylaws, a quorum was present at the meeting and, thus, the meeting was duly convened and declared open for business.

I     Appointment of Officers.

Upon motion of Director Dave Roberts, seconded by Director Chris Orlando, the Board appointed Matthew Tucker as President of the Corporation and C. Michael Cowett as Secretary of the Corporation by unanimous vote of the Board.

II    Dissolution of the Corporation.

The Chairperson announced that the only item of business on the agenda was a discussion concerning dissolution of the Corporation. Legal counsel to the Corporation led a discussion related to issues in consideration of the dissolution of the Corporation. Following discussion, and in accordance with the procedures set forth in the Bylaws of the Corporation, the following resolution was adopted by the directors as the act and deed of the Board of Directors of the Corporation:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO NORTHERN  
RAILWAY, INC. TO WIND UP AND DISSOLVE

WHEREAS, the Board of Directors of this Corporation has determined that it is in the best interests of the Corporation that the Corporation be wound up and dissolved;

WHEREAS, pursuant to Article 3 of the Bylaws of this Corporation, the Corporation has no members as defined in Section 5056 of the California Corporations Code, and accordingly, (i) any action which would otherwise, under law or the provisions of the Articles of Incorporation of the Corporation or the Bylaws of the Corporation, require approval of the members of the Corporation as provided in Section 5034 of the California Corporations Code, shall only require approval of the Board of Directors, and (ii) all rights which would otherwise vest in the members under law or the Articles of Incorporation of the Corporation or the Bylaws of the Corporation, shall vest in the directors of the Corporation; and

WHEREAS, Section 6610 of the California Corporations Code permits a California nonprofit public benefit corporation such as the Corporation to elect to voluntarily wind up and dissolve by approval of its Board of Directors.

IT IS THEREFORE RESOLVED, that this Corporation be liquidated and dissolved in accordance with the provisions of Sections 6610-6618 of the California Corporations Code and other applicable provisions of California law and of the Internal Revenue Code of 1986, as amended.

IT IS FURTHER RESOLVED, that as noted earlier above, this Corporation has no members, and, accordingly, no vote or written consent of any party other than the Board of Directors is necessary to dissolve this Corporation.

IT IS FURTHER RESOLVED, that this Corporation shall immediately cease the active conduct of any and all business and shall thereupon commence the winding up of its business and affairs.

IT IS FURTHER RESOLVED, that the officers and directors of this Corporation are authorized and directed to take appropriate measures to wind up and dissolve this Corporation.

IT IS FURTHER RESOLVED, that, if required by Section 6611 of the Corporations Code upon the advice of this Corporation's legal counsel, the President and Secretary of this Corporation, are authorized and directed to execute and verify a Certificate of Election to Wind Up and Dissolve.

IT IS FURTHER RESOLVED, that the officers of this Corporation are authorized and directed to file a final income tax return with the California

Franchise Tax Board as provided in Section 23332 of the California Revenue and Taxation Code.

IT IS FURTHER RESOLVED, that on commencement of proceedings to wind up the Corporation, the officers of this Corporation are authorized and directed to prepare and file such other documents and take such other action as may be necessary or advisable in connection with the winding up and dissolution of the Corporation.

IT IS FURTHER RESOLVED, that all known debts and liabilities of the Corporation be provided for or paid.

IT IS FURTHER RESOLVED, that after (a) paying or adequately providing for all its known debts and liabilities, and (b) complying with California Corporations Code Section 6716, all assets of the Corporation remaining on hand shall be distributed, in conformity with this Corporation's Articles of Incorporation, to the North San Diego County Transit Development Board, a governmental agency created pursuant to California Public Utilities Code Section 125000 et. seq., provided such Board is exempt from income tax, and any such assets not so disposed of shall be disposed of in such manner as may be directed by decree of the Superior Court of the County of San Diego on petition therefore by the Attorney General or by any person concerned in the liquidation, in a proceeding in which the Attorney General is a party.

IT IS FURTHER RESOLVED, that the President and Secretary of this Corporation are authorized, empowered, and directed to execute and deliver in the name of and on behalf of the Corporation such deeds, assignments, or other instruments of transfer as may be deemed necessary or proper and the officers and directors of this Corporation are authorized, empowered, and directed to do any and all acts and things necessary to carry out, perform, implement, and consummate the above-described distribution and to wind up the corporate affairs and dissolve this Corporation, including, but not limited to, filing a Certificate of Dissolution in accordance with California Corporations Code Section 6615.

IT IS FURTHER RESOLVED, that the foregoing recitals and resolutions shall constitute the Plan of Liquidation and Dissolution/Distribution of Assets for this Corporation.

MOTION BY JEROME STOCKS TO APPROVE THE RESOLUTION TO DISSOLVE THE CORPORATION, SECONDED BY BILL HORN. MOTION APPROVED UNANIMOUSLY.

PASSED, APPROVED AND ADOPTED at the regular meeting of the Board of Directors of the San Diego Northern Railway, Inc. this \_\_\_\_ day of \_\_\_\_\_, 2009.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

III Other Matters.

There being no further business to come before the meeting, it was, upon motion duly made and seconded, ADJOURNED at 4:02 p.m.

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C. Michael Cowett, Secretary

ACKNOWLEDGED AND APPROVED:

\_\_\_\_\_  
Matthew Tucker, President

