



# BY LAWS



# AUSTIN AVIATORS FLIGHT CLUB

## CLUB BY-LAWS

### ARTICLE I – PURPOSE

1. The purpose of the Austin Aviators Flight Club is to promote safe, enjoyable flying and family-friendly aviation related activities. We are a non-profit organization dedicated to providing a social setting and inexpensive flying to its Members.

### ARTICLE II – MEETINGS AND MEMBERS

- Austin Aviators Flight Club is a C corporation operating under 501C7 taxes and status (tax exempt).
- Austin Aviators Flight Club owns the aircraft directly and its members are a 1/10<sup>th</sup> shareholder (part owner of the club).
- Members of Austin Aviators Flight Club are protected according to laws of the State of Texas.
- The By Laws and the Operations Manual are subject to amendments. Any suggestions should be brought to the board and voted by members. A majority vote of 51% is required to pass any amendments.
- All members will have a new member interview before joining.
- All meetings of the Members except herein otherwise provided, shall be held at a place to be determined by the President.
- The annual meeting of the club shall be held during the month of May at such time as the Board of Directors shall determine.
- Notice of annual meeting shall be given by written notice mailed to the last known business or residence address or to their last known e-mail address of each Members at least thirty (30) days prior to the date of the annual meeting. Notification may be accomplished through email addresses.
- Special meetings of the Members may be held at such time and place as the President may determine or may be called by a majority of the Directors or by written petition of at least five (5) Members. It shall be the duty of the Secretary to call such meetings within thirty (30) days after such demand.
- At any meeting of the Members, a quorum shall consist of two-thirds of the Members who are in good standing.
- The President, or in his/her absence the Vice President or in the absence of the President and Vice President, a Chairman elected by the Members present shall call the meeting of the Members to order and shall act as the presiding office thereof.
- At the annual meeting of the Members, the Members shall elect by ballot a Board of Directors as constituted by these by-laws.
- At every meeting of the Members, each Member shall have only one vote. Votes cast by mail will be accepted provided they are received by the Secretary prior to the meeting when the vote is to be taken. Proxy votes, via regular mail, e-mail, or facsimile will be accepted up through the day of the meeting.

- A majority vote (51%) of the Members present is necessary for the adoption of any resolution and for the election of Members to the Board of Directors.
- Parliamentary procedures will be followed and minutes will be kept at all meetings.

### **ARTICLE III – DIRECTORS**

1. The powers, business and property of the Club shall be exercised, conducted and controlled by a Board of Directors (hereinafter referred to as “Board”).
2. Each Director shall be elected annually from the Membership of the Club at the Annual Meeting.
3. In case of a vacancy in the Board, the remaining Directors shall fill such vacancy by appointment from the Club Membership. If two (2) or more vacancies occur at any one time, they shall be filled by vote of the Members at a meeting duly called.
4. At the annual meeting of Members, the newly elected Board of Directors and all Members either in attendance or represented by proxy, shall elect a President, Vice President, Secretary, Treasurer, Maintenance Officer and Operations Officer by simple majority vote.
5. Regular meetings of the Board of Directors shall be called at any time on the order of the President or on the order of two (2) Directors.
6. Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of two (2) Directors.
7. Notice of special meetings of the Board of Directors stating the time and in general terms the purpose shall be mailed or personally given to each Director not later than three days before the day appointed for the meeting. If all Directors shall be present at any meeting, any business may be transacted without previous notice.
8. Three (3) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least three (3) Directors shall be necessary to pass any resolution or authorize any act of the Club.
9. Each Members of the Board of Directors shall serve without any compensation or reward.
10. The Board of Directors shall maintain a complete record of all its acts and proceedings of its meetings and to present a full statement at the regular meeting of the Members, showing in detail the condition of the affairs of the Club.
11. The Board of Directors may assign to any Members any duty or office which the Board deems appropriate and necessary to the conduct of the Club and which is not otherwise expressly provided for in these by-laws.
12. The Board of Directors may engage salaried personnel from outside the Club Membership to perform such services on behalf of the Club as the Board deems appropriate and necessary.

13. The Board of directors shall have the power and authority to promulgate and enforce all rules and regulations pertaining to the use and operation of Club property and to do and perform or cause to be done and performed any and every act which the Club may lawfully do and perform.

#### **ARTICLE IV – OFFICERS**

1. The Executive office of the Club shall have a President, Vice President, Secretary, Treasurer, Maintenance Officer, Operations Officer, Safety Officer and Membership Officer.
2. The officers of the Club shall be elected by the Club Membership at the first meeting after the organization of the Club and thereafter annually at the annual meeting from the Membership of the club. Officers shall hold office for twelve (12) months or until their successors is elected and qualified.

#### **ARTICLE V – PRESIDENT**

1. The President shall be Chief Executive Officer of the Club. He/she shall preside at all meetings of the Club and the Board of Directors. He/she may call any special meeting of the Members or the Board of Directors and shall have, subject to the advice and control of the Directors, general charge of the business of the Club and shall execute with the Secretary in the name of the Club all certificates of Membership, contracts and instruments other than checks which have been first approved by the board of directors.
2. The President may sign checks executed in the name of the Club.
3. The President shall be responsible to the Board of Directors for the operation of the Club. He/she shall make and enforce decisions regarding the suitability of all equipment and the qualifications of all Members for each type of flight operation. He/she shall recommend for approval to the Board of Directors all operational rules of the Club and shall report with recommendation all violations of such rules by any Members of the Club.

#### **ARTICLE VI – VICE PRESIDENT**

1. The Vice President shall be vested with all the powers and shall perform the duties of the President in case of the absence or disability of the President.
2. The Vice President shall also perform such duties connected with the operation of the Club as he/she may undertake at the suggestion of the President.

#### **ARTICLE VII – SECRETARY**

1. The Secretary shall keep the minutes of all proceedings of the Members and of the Board of Directors in books provided for that purpose. He/she shall attend to the giving and serving of notices of all meetings of the Members and of the Board of directors and otherwise. He/she shall keep a proper Membership book showing the name of each Members of the Club, the book of by-laws, the Club Seal, if any, and such other books and papers as the Board of Directors may direct. He/she shall execute with the President in the name of the Club, all certificates of Membership, contracts and instruments which

have been first approved by the Board of Directors. In the absence of disability of the Treasurer and under the direction of the President, he/she shall execute in the name of the Club checks for expenditures authorized by the Board of Directors. The Secretary shall also perform such duties connected with the operation of the Club as he/she may undertake at the suggestion of the President.

#### **ARTICLE VIII – TREASURER**

1. The Treasurer shall execute in the name of the Club all checks for the expenditures authorized by the Board of Directors. He/she shall receive and deposit all Club funds in the bank selected by the Board of Directors, which funds shall be paid out only by check as herein before provided. He/she shall also account for all receipts and disbursements and balance on hand.
2. The Treasurer shall also perform such duties connected with the operation of the Club as he may undertake at the suggestion of the President.

#### **ARTICLE IX – MAINTENANCE OFFICER**

1. The Aircraft Maintenance Officer shall be responsible for maintaining current information in the logbooks of the aircraft.
2. He/she shall be responsible for arranging maintenance of the aircraft in proper operating condition by or under the supervision of a properly certified aircraft and power plant mechanic and for obtaining all inspections, major overhauls and for compliance with all service bulletins for the aircraft.
3. The Aircraft Maintenance Officer shall be responsible for all papers required to be carried in the aircraft and for the execution of all papers required upon the completion of inspections and major repairs.

#### **ARTICLE X – OPERATIONS OFFICER**

1. The Operations Officer shall be responsible for the posting of aircraft schedules where Members have easy access to it, scheduling flights and rescheduling them as Members change flight plans or swap flight dates with other Members.
2. The Operations Officer will notify the President when Members abuse the schedule. He/she will attempt to maintain a full schedule and maximum aircraft utilization.
3. He/she will maintain a working relationship with the host airport management and staff to ensure fuel availability, hangar agreements and anything related to airport operations.

#### **ARTICLE XI – SAFETY OFFICER**

1. The Safety Officer shall be responsible for providing a safety program whenever feasible at the general meetings.
2. The Safety Officer shall ensure that each Members satisfies Club flight requirements outlined in the Club Flight Operations Annex and has the power at his /her discretion to ground any Members who does not meet such requirement.

3. The Safety Officer shall also perform such duties connected with the operation of the Club as he/she may undertake at the suggestion of the President.

#### **ARTICLE XII – MEMBERSHIP OFFICER**

1. The Membership Officer shall be responsible for maintaining the waiting list for prospective Members and for contacting the prospects to identify and recommend new Members when there are vacancies in the Club.
2. The Membership Officer shall also perform such duties connected with the operation of the Club as he may undertake at the suggestion of the President.

#### **ARTICLE XIII – STANDARDIZATION OFFICER**

1. The Standardization officer (sometimes referred to as Chief Pilot) is responsible for the standardization of all recognized Certified Flight Instructors associated with the Club.
2. The Standardization officer is also responsible for aircraft training/checkouts in the club aircraft necessary to satisfy pilot qualification to function as a pilot of club aircraft.

#### **ARTICLE XIV – VACANCIES**

1. If the Office of President, Vice President, Secretary, Treasurer, Maintenance Officer, Operations Officer, Safety Officer or Membership Officer becomes vacant for any reason, the Board of Directors shall appoint a successor who shall hold office for the unexpired term of his predecessor.

#### **ARTICLE XV – SAFETY BOARD**

1. A Safety Board consisting of the officers of the Club shall be convened for any aircraft accident or incident involving either a Members or any equipment belonging to the Club.
2. The Safety Board shall consist of at least three officers of the Club who were not involved in such accident or incident. The Board of Directors may appoint Members who are not officers to meet this requirement.
3. The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances of the accident or incident; shall arrive at conclusions regarding the probable cause and the responsibility for such accident or incident and shall make known to the Board of Directors and all parties involved in such accident or incident its findings in the form of a written report.

#### **ARTICLE XVI – HEARINGS**

1. The Board of Directors, upon receipt of the findings of the Safety Board shall offer to all parties involved in the accident or incident the opportunity of a hearing. After the hearing or if such hearing is waived by all parties involved in the accident or incident, the Board of Directors shall decide the financial responsibility for the accident or incident. The decision of the Board of directors shall be final.
2. Any Members who damages any Club aircraft shall be fully liable for such damages as determined by the Safety Board as being due to pilot error or negligence not covered by Club insurance. The Club shall bear all expenses of an accident or incident due to aircraft malfunction.
3. All financial obligations imposed on any Members as a result of the decision of the Board of Directors shall be satisfied within forty-five (45) days written notice. Unless arrangements are made with the board for an extension. Otherwise, in the case of a Member, all unsatisfied moneys may be deducted from the Membership deposit, the remainder of which shall be returned to the Members with a cancellation of Membership in the club.

#### **ARTICLE XVII – MEMBERSHIP**

1. New Members may be admitted to the Club only after being approved during a New Members Interview. New Members Interviews are conducted by at least three representatives from the Board of Directors or Officers of the Club. Membership shall be limited to no more than ten (10) per aircraft, except during such time as is required for the Club to upgrade or replace a Club aircraft.
2. Upon receipt of the initiation fee, the Club shall issue to each new Member a Certificate of Membership (share of assets) on a form approved by the Board of Directors.
3. A Members may withdraw from the Club upon thirty (30) days advance written notification to the Secretary.
4. A Members may be expelled by two-thirds (2/3) of all Members voting at regular or special meeting of the Members. Ten (10) days' notice shall be given to each Member who shall have the right to be heard either in person or by counsel at the meeting of the club called for this purpose. A Member so expelled shall receive from the Club a sum equal to his/her share in the assets as determined by the average blue book value less any monies, dues or fines owing to the Club.
5. In the event of the death of a Member, the Club shall have the first option to purchase from his/her estate his/her share in the assets of the Club. If a Member wishes to name in his/her will a beneficiary of his/her share in the assets of the Club, the named beneficiary must be acceptable to the Club.
6. Discrimination prohibited: The Austin Aviators Flight Club is firmly committed to non-discrimination in all aspects of club membership and operations. The Austin Aviators Flight Club accepts persons of any race, color, sex, national origin, ethnic origin or religion to membership and to all the rights, privileges, programs and activities generally accorded or made available to club members. Discrimination against any individual on the basis of race, color, sex, national origin, ethnic origin or religion is prohibited in any and all aspects of club membership and club operations.

#### **ARTICLE XVIII – MEMBER PAYMENTS**

1. Initiation Fees: A person duly elected to the Club as provided for by these by-laws shall be deemed a member upon payment of an initial fee, if any, as determined by the Board.

2. Dues: Each Member shall be assessed monthly dues as set by the Board of Directors and in effect at the time. Dues will be paid one (1) month in advance, due within two weeks of receipt of invoice. The monthly dues may change from time to time at the discretion of the Board of Directors.
3. Hourly Aircraft Rates: The hourly aircraft rates are set by the Board of Directors and each Member will be invoiced at that rate. Each Member will be billed each month for their accumulated hours for the previous month. The hourly aircraft rate may be changed from time to time at the discretion of the Board of Directors.
4. Delinquency: Any Member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the Club within thirty (30) days after said sums shall be due, shall be considered a delinquent Member and may at the discretion of the Board of Directors be suspended from flying the Club aircraft and engaging in any other Club activity. A ten percent (10%) penalty of the delinquent amount shall be charged after one (1) month's delinquency unless the Board of Directors waives the penalty upon a showing of good cause by the Member. When a delinquent Member fails to pay any sum owed to the Club, or at the discretion of the Board of Directors, to make suitable arrangements with the Board for the payment thereof within sixty (60) days of the due date, the member shall automatically be considered as indicating his/her intention to withdraw from the Club.

#### **ARTICLE IXX– CLUB FINANCES**

1. No Member may authorize expenditures or otherwise incur financial obligations in the name of the Club except as expressly provided for in these bylaws or other regulations duly promulgated by the Club membership.
2. The Treasurer is authorized to expend Club funds in payment for all normal fixed costs of the Club and all operating costs not in excess of TWO THOUSAND DOLLARS (\$2,000) without seeking approval from the Board of Directors.
3. The Maintenance Officer may authorize work on the Club aircraft in an amount up to TWO THOUSAND DOLLARS (\$2,000) without seeking approval from the Board of Directors. The Maintenance Officer must consult with the Treasurer before authorizing any work to determine whether there are sufficient funds to pay for the work.
4. Individual Members will be reimbursed for any expenditure not in excess of ONE THOUSAND DOLLARS (\$1,000) plus fuel expenses when such expenditures are for Club aircraft repairs or maintenance necessary to safely complete a flight back to the home airport. Member must be stranded at a remote location to have this authorization. The Club shall bear no financial responsibility for personal cost (transport, meals, hotel, etc.) to any Member because of a Club aircraft requiring repair at other than the home airport.
5. No Member, officer, Director or any other individual shall obligate the Club to any purchase, repair, service, or in any manner in an amount in excess of ONE THOUSAND DOLLARS (\$1,000) without approval of the Board of Directors. However, such expenditure shall not be authorized without obtaining the approval of two other Directors or Officers of the Club.
6. The Board of Directors shall not authorize expenditures in excess of FOUR THOUSAND DOLLARS (\$4,000) (excluding capital expenditures) without the approval of the majority of the Club members.

#### **ARTICLE XX – CAPITAL ACQUISITIONS AND IMPROVEMENTS**

1. The Board of Directors with the approval of two-thirds (2/3) of all votes cast at either the annual meeting or a special meeting as defined in the section "ARTICLE II – MEETINGS OF MEMBERS" and with no less than half of all Club Members, may undertake capital acquisitions, capital dispositions or improvements and may, if necessary assess the Membership a



“one-time” charge to pay for such expenses. Acquisition of additional aircraft may involve sale of additional Memberships, up to the limit as stated in Article XVI, at a price set by the Board.

#### **ARTICLE XXI – SURPLUS**

1. The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club’s treasury for the purpose of engine and prop overhaul, maintenance and general contingency funds. Use of such funds will be governed by the bylaws outlined throughout this document. The net savings in any event shall not be distributed to the Members for their individual use.

#### **ARTICLE XXII – INDEMNIFICATION OF OFFICERS**

1. Austin Aviators Flight Club shall indemnify any current, former or future Shareholder, Director, Officer, Maintenance Officer, Employee or Agent of the Corporation whether serving at the request of the Corporation or by election against any expenses actually and necessarily incurred by him/her in connection with the defense of any reason for being or having been such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in performance of duty. The Corporation shall also reimburse any such current, former or future Shareholder, Director, Officer, Maintenance Officer, Employee or Agent of the Corporation for the reasonable cost of settlement of any such action, suit or proceeding if it shall be found by a majority of the Shareholders not involved in the matter in controversy, whether or not it be quorum, that it was in the best interest of the Corporation that such settlement be made and that such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent was not guilty of negligence or misconduct in performance of duty.
2. Expenses: The Corporation may pay in advance any expenses which may become subject to indemnification if the Board of Directors authorizes the specific payment and the person receiving the payment undertakes in writing to repay such expenses, unless it is ultimately determined that h/she is entitled to indemnification by the Corporation.
3. Insurance: The Corporation may purchase and maintain insurance on behalf of any person who is or was a Shareholder, Director, Officer, Maintenance Officer, Employee, or Agent of the Corporation, against any liability asserted against him and incurred by him in any such capacity or arising out of his/her status as such, whether or not the Corporation would have the power to indemnify him against such liability under these bylaws or the laws of the State of Texas.
4. Other Protection & Indemnification: The protection and indemnification provided hereunder shall not be deemed exclusive of any other rights to which any such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent may be entitled, under any agreement, insurance policy or majority vote (51%) of Shareholders or otherwise.

#### **ARTICLE – XXIII LIABILITY AND DAMAGE TO AIRCRAFT**

1. Insurance: The Club shall maintain insurance on all aircraft against damage to the hull from ground and flight damage and liability insurance to protect the Club and its members against liability, actions, suit for damages or judgments of third persons. The Board of Directors shall determine the adequacy of all insurance coverage. The Club assumes no responsibility to a Member for the results of any act or omission while operating Club aircraft except for the protection afforded by such policy or policies of insurance carried by the Club.
2. Damage to Aircraft: Damage to any aircraft shall be promptly reported to the Operations Officer and Maintenance Officer. Members are directly responsible for the safe operation of any aircraft under their control. All aircraft are to be operated in accordance with applicable FARs, the operating limitations of the aircraft as set forth by the manufacturer and Club

Operational Rules contained in the Flight Operations Annex. In the event of damage to a Club aircraft, its engine or equipment, which damage is proximately caused by an act or omission of a Club member, such member shall be liable for the damage sustained and may be assessed the uninsured, non-reimbursable cost of repair or replacement.

3. Gross Negligence or Willful Damage: If any member is found by the Safety Board to have caused loss, damage, destruction or injury to the Club or its aircraft, engine or equipment through gross negligence or willful violation of any regulation or rule of the Federal Government, any state or the Club or while under the influence of drugs, alcohol or other substances, the member or the member's estate will be held liable for all such loss, damage or destruction.

#### **ARTICLE – XXIV ARBITRATION**

1. Austin Aviators Flight Club will use the laws of the State of Texas.

#### **ARTICLE - XXV AMENDMENTS**

1. These by-laws may be repealed or amended or new by-laws adopted at any meeting of the Members called for that purpose or at any regular meeting of the Members with the approval of 51% of all Club Members.

#### **ARTICLE - XXVI ADDENDUMS**

1. Members wishing to leave the club are responsible for selling their membership and remain responsible for monthly dues and expenses/assessments until the membership is sold. The club will attempt to help in the sale of the membership, but the final responsibility lies with the exiting member.
2. Payments are due in full by the 10<sup>th</sup> of each month. Members who are 6 months, or more, past due may forfeit their membership. The club will, however, attempt to sell the share and refund any balance remaining after satisfying past due monies.
3. All Club Members wishing to schedule Club Aircraft more than 60 days in advance and/or for more than 7 days duration must first obtain permission from the Board of Directors. If it is deemed by the Board that the request is not in the best interest of the Club, the request may be denied.
4. There is an administrative hold on international flights until our newly formed club gets established and everyone is confident with the new plane.
5. Club aircraft may only be operated in the contiguous United States of America. Foreign countries may be allowed as specified by the insurance coverage maintained by the Club once the administrative hold is removed as deemed by the club officers.
6. When the plane and members are ready for international travel, any supplemental insurance or fees required for international flying are the sole responsibility of the PIC and those who agree to fly internationally. If a member has no interest in making such trips, they will not be held responsible for any additional insurance that needs to be purchased ad-hoc.
7. Club aircraft may be landed only on runways that are designated as airfields on sectional charts