

# **Bylaws of the Fox Flying Club, Inc.**

## ***Ratified on September 14, 2006***

### **I. Statement of Purpose**

**A. Purpose.** The Fox Flying Club (hereinafter referred to as the "Club") is a not-for-profit corporation formed for the benefit of Club members to promote aviation safety, education, and fellowship through meetings, social activities, and to provide aircraft for use by Club members.

### **II. Members**

**A. Class of Members.** The Club shall have three classes of members. The designation of each class and the qualifications of the members of each class shall be as follows:

- 1. Active Member.** Any person actively engaged in general aviation including but not limited to licensed pilots, student pilots actively pursuing a pilot license, and other persons generally interested in aviation may be eligible for Active membership in the Club. Any such Active members shall have all the rights and privileges of membership in the Club, including the right to vote and to hold office. Active membership requires payment of membership fee and full monthly dues.
- 2. Associate Member.** Any persons generally interested in aviation may be eligible for Associate membership in the Club. Any such Associate members shall have all the rights and privileges of membership in the Club subject to the following exceptions. Any such Associate Member shall not vote, and shall not have any rights upon Club dissolution and liquidation. The Board of Directors (hereinafter referred to as the "Board") may designate different types of Associate Members and set reduced membership fee and reduced monthly dues for each type of Associate Member.
- 3. Inactive Member.** Any former Active and Associate members may be eligible for Inactive membership in the Club. Any such Inactive members shall have restricted rights and privileges of membership in the Club. Specifically, Inactive Members shall not fly Club aircraft, shall not have a right to vote, and shall not have any rights upon Club dissolution and liquidation. Former Active Members who become Inactive Members may hold office. Inactive membership shall pay reduced monthly dues.

**B. Admittance of Members.** Active and Associate Members may be admitted to the Club after being approved by the Board. Any three Board members may approve a member. The number of members and types of memberships are subject to adjustment and review by the Board. Membership in the Club is not transferable or assignable.

**C. Voting Rights.** The entire voting power of the Club shall be vested exclusively in the Active Members. Each Active Member shall be entitled to one vote on each matter submitted to a vote of the members.

**D. Good Standing.** A person admitted to the Club shall be deemed a Member in good standing upon payment of all initiation fees, dues, and satisfaction of all other requirements as set forth by the Board in the Rules and Regulations (hereinafter referred to as the "Rules").

**E. Minors.** Members who are minors must present a letter in a form acceptable to, or provided by, the Board. This letter must be signed by a responsible parent or legal guardian. Such letter shall state that both minor and adult have read and understand the Bylaws and Rules of the Club, and that the parent or guardian will assume full responsibility for the minor member while exercising the privileges of a member of the Club.

**G. Resignation.** Any member may withdraw from the Club upon written notification to the Club Membership Officer. Resignation shall not relieve the member from the obligation to pay all amounts due the Club. In hardship cases, a member may petition the Board, in writing, for special consideration in the form of extended payment terms. The Board will review the circumstances and act accordingly on a case-by-case basis.

**H. Changing to Inactive Class.** Any Active and Associate Member may petition the Board, in writing, to change class to Inactive Member. The Board will review the circumstances and determine whether a change in class to Inactive Member will be granted.

**I. Readmittance from Inactive Class.** A member returning to Active and Associate Member classes from Inactive Member class must request readmission from the Board in writing. If accepted, the returning member will be placed at the top of the application list, and in the case of multiple requests, each request will be placed in the order of request receipt, and will be readmitted as an opening occurs. Readmitted members will be responsible for payment of all fees, charges, and other amounts and requirements as determined by the Board.

**J. Delinquent Status.** Any member who has failed to pay all monies due to the Club by the invoice due date will be considered to have a delinquent status. Under delinquent status a member may be suspended by the Board from scheduling and flying Club aircraft, and may be moved to Inactive Member. The member will be

notified in writing by letter or electronic mail of such change in class by the Club Treasurer or designee. A member having delinquent status may be charged interest and other fees, deposits, and other sums as determined by the Board. A member who is delinquent may have his membership terminated by the Board, subject to the right of appeal as provided in ARTICLE II, Section K.

**K. Suspension/Termination.** The Board by affirmative vote of two thirds of all of the members of the board may suspend, expel, or terminate a member for cause including for reasons other than non-payment of dues and after an appropriate hearing as provide in Article II, Paragraph K, Subparagrah 1. Any member who is suspended, or whose membership has been terminated, will have a right to appeal such decision of the Board, subject to the provisions of ARTICLE II, Paragraph K, Subparagraph 2.

### **1. Hearings and Termination.**

**a. Fact Finding.** In any case involving the Club as a result of violations of Club Bylaws, Rules, FAR's (Federal Aviation Regulations; 14CFR (Title 14 of the Code of Federal Regulations}}, accidents, personal injuries, or damage to Club property or any other property, the Board shall take all steps necessary to ascertain the facts, conditions, and circumstances of such an occurrence and determine whether a hearing shall be called to further address the matter.

**b. Temporary Suspension.** Prior to such a hearing, the President or Chairman may temporarily suspend the flying privilege of any member involved in such an occurrence. This suspension may be given verbally by the President or Chairman, and shall be confirmed in writing within three (3) days via US Mail Return Receipt Requested to the suspended member.

**c. Hearing Notification.** Within fifteen (15) days from the time the President receives notice of any such occurrence, written notice in accord with ARTICLE IX shall be given to each member involved and to each member of the Board stating the time, place, and nature of the hearing.

**d. Presentation of Evidence.** The Board shall conduct the hearing in a manner that will permit any member or other persons involved in the occurrence to present their version of the incident and to offer evidence in support thereof. Each member involved shall have the right to be heard.

**e. Findings.** The Board shall determine the probable cause and/or responsibility for said occurrence and shall take appropriate action. Any decision of the Board that either imposes a financial obligation on a member and/or terminates their membership shall

be made by a two-thirds (2/3) vote of all the Board members. The Board shall give written notice to the parties involved of its findings and actions.

**f. Financial Liability.** In the case of accident or damage to Club property, to any other property, or in the case of any personal injury, the Board shall not impose financial responsibility on any member in excess of the deductible portion of any Club insurance coverage applicable. However, if any damage or personal injury results from a cause, which is not covered by insurance maintained by the Club, any member so responsible shall be liable for the full amount.

**2. Appeal.** Appeal of any action taken by the Board pursuant to this section may be made to the general membership by the member(s) affected. The right to a further hearing shall be approved by a majority vote of the Active Members present at any regular or special meeting of the membership. If a further hearing is approved, a six (6) member Appeal Board, composed of one (1) representative of the Board and five (5) members who were not involved in any manner in the occurrence, or related to any member involved, shall be appointed to review the decision of the Board and to conduct further hearings if necessary. If the Appeal Board affirms the decision of the Board, the decision of the Board shall be deemed to be final. If the Appeal Board recommends reversing the findings of the Board, such a reversal must be ratified by a two-thirds (2/3) vote of the members attending any regular or special meeting of the membership.

**3. Terms of Payment.** All financial obligations imposed on any member as a result of the decision of the Board or of the Appeal Board shall be satisfied within thirty (30) days of written notice of such decision, unless otherwise determined by the Board or the Appeal Board.

### **III. Board of Directors**

#### **A. General**

**1. Club Management.** The business and affairs of the Club shall be managed by the Board. The Board shall make and enforce, or delegate authority to make and enforce, all decisions regarding the suitability of equipment, qualifications of members and flight instructors for all flights, and all other operations of the Club. The Board shall promulgate and enforce all rules and regulations pertaining to the use and operation of Club property, and shall determine the amount to be charged for membership fees, monthly dues, flying time, and other amounts for which members are obliged to pay the Club under these Bylaws or the Rules.

**2. Board Composition.** The Board shall consist of nine (9) to eleven (11) members. The elected Officers of the Club and the immediate past President shall be members of the Board. The immediate past President shall be the Chairman of the Board. If, for any reason, the immediate past President cannot serve as Chairman of the Board, then the President shall assume this position. Board Members-at-large and any vacated positions on the Board shall be filled by a majority vote of the remaining members of the Board.

**3. Term of Office.** Each member of the Board shall hold office until the next Annual Meeting of the members or until a successor has been elected.

## **B. Officers**

### **1. General**

**a. Composition.** The Officers of the Club shall consist of the Chairman of the Board, President, Vice President, Secretary, Treasurer, Maintenance Officer, Training Officer, and Membership Officer.

**b. Election.** Except for the Chairman of the Board, all of the Officers shall be elected at the Annual Meeting.

**c. Dues Reduction.** The Treasurer, Maintenance Officer, Training Officer and certain other Club appointed representatives may be eligible for reduced membership fee and reduced dues as approved by the Board by a majority vote of a quorum consisting of directors who are not under consideration for reduced membership fee and reduced dues.

**d. Removal from Office.** Any Club Officer may be removed from office by either a signed petition of two-thirds (2/3) of the Active Club members or by two-thirds (2/3) vote of the other members of the Board.

### **2. Chairman of the Board**

**a.** The Chairman of the Board shall preside at all Board meetings. In the absence of the Chairman, the President or the Chairman's designee shall preside over the Board meeting.

**b.** The Chairman shall have the authority to temporarily suspend any member who is involved in any violation of the Club's Rules, Bylaws, Federal Aviation Regulations (hereinafter referred to as FAR's), accidents or any occurrence, which in the opinion of the Chairman gives reasonable basis for suspension of the member's flying privilege, subject to the provisions of ARTICLE II.

### **3. President**

**a.** The President shall be the Chief Executive Officer of the Club. He shall preside at all membership meetings. He shall have, subject to the advice and control of the Board, general charge of the business of the Club. He shall execute with the Treasurer, in the

name of the Club, contracts and instruments, other than checks, which have been approved by the Board.

**b.** The President shall be in charge of the day-to-day affairs and discharge all duties of office for the Club, subject to the direction and control of the Board.

**c.** The President shall have the authority to temporarily suspend any member who violates any of the Club's Rules, By-Laws, FAR's, or is involved in an accident or any occurrence, which in the opinion of the President gives reasonable basis for suspension of the member's flying privilege, subject to the provisions of ARTICLE II.

#### **4. Vice President**

**a.** The Vice President shall assist the President in the discharge of the duties of his office.

**b.** In the absence of the President, or, in the event of his inability or refusal to act, the Vice President shall perform the duties of President.

**c.** The Vice President shall be in charge of coordinating the cleaning of the Club assets and facilities.

**d.** The Vice President shall be responsible for coordinating and publicizing programs at Membership meetings and special events.

**e.** The Vice President shall perform all duties incident to the Office and such other duties as, from time to time, may be assigned by the President or the Board.

#### **5. Secretary**

**a.** The Secretary shall record the minutes of all meetings of the Board and all meetings of the membership.

**b.** The Secretary shall see that all notices are duly given in accord with the provisions of the Bylaws or as required by law.

**c.** The Secretary shall be custodian of the corporate records and of the seal of the Corporation.

**d.** The Secretary shall keep a membership list showing the name and post office address, email address, and phone number of each member, which shall be furnished to the Secretary by the Membership Officer.

**e.** The Secretary shall publish the Club newsletter and process changes in, and maintain, the official copies of the Bylaws and Rules.

**f.** The Secretary shall perform all duties incident to the Office and such other duties as, from time to time, may be assigned by the President or the Board.

#### **6. Treasurer**

**a.** The Treasurer shall be the principal accounting and financial officer of the Club.

- b.** The Treasurer or the bookkeeper/designee shall have charge of, and be responsible for, the maintenance of adequate books and records of account for the Club.
- c.** The Treasurer shall have charge and custody of all funds and securities of the Club and be responsible for the receipt and disbursement thereof.
- d.** The Treasurer shall execute, in the name of the Club, all checks for the expenditures authorized by the Board. He shall receive and deposit all funds in the bank selected by the Board and said funds shall be paid out only by check as provided. He shall also account for all receipts, disbursements, and funds on hand.
- e.** The Treasurer shall be responsible for the timely filing of all local, state and federal registration and tax forms as required by law and as instructed by the Board.
- f.** The Treasurer, and/or any other member or person with authority to disburse Club monies, shall be bonded for the faithful discharge of their duties in an amount which may not be less than five thousand dollars (\$5,000.00), and with such sureties as the Board shall determine.
- g.** The Treasurer shall perform all duties incident to the Office and such other duties as, from time to time, may be assigned by the President or the Board.

#### **7. Maintenance Officer**

- a.** The Maintenance Officer is responsible for coordination of the maintenance of Club aircraft, by, or under the supervision of, a certified airframe and powerplant mechanic, or by pilots under FAA regulations.
- b.** The Maintenance Officer shall be responsible for the execution and approval of all required paper work and invoices upon completion of inspections or repairs.
- c.** The Maintenance Officer may appoint Crew Chiefs as necessary to assist with the care of the Club aircraft.
- d.** The Maintenance Officer shall perform all duties incident to the Office and such other duties as, from time to time, may be assigned by the President or the Board.

#### **8. Training Officer**

- a.** The Training Officer shall coordinate all flight training and educational programs for the Club. It shall be the Training Officer's responsibility to develop appropriate proficiency checks for the members as administered by the Club's flight instructors.
- b.** The Training Officer shall have primary responsibility for Club relationships with CFIs and CFIs who wish to instruct in Club Aircraft. He shall review their credentials and keep them apprised of the Rules and training requirements.

- c. The Training Officer shall maintain a current list of Club-approved instructors. This list shall be made available to the Members.
- d. The Training Officer shall perform all duties incident to the Office and such other duties as, from time to time, may be assigned by the President or the Board.

#### **9. Membership Officer**

- a. The Membership Officer shall be in charge of, or delegate responsibility for, maintaining the Club membership kit.
- b. The Membership Officer shall be responsible for the system of scheduling the Club aircraft.
- c. The Membership Officer shall publish and circulate up-to-date membership lists at least once every three months, and ensure that a copy of this list is placed in each aircraft.
- d. The Membership Officer shall perform all duties incident to the Office and such other duties as, from time, to time may be assigned by the President or the Board.

### **IV. Meetings**

#### **A. Members**

**1. Regular Membership Meetings.** Regular Membership Meetings shall be held at a time and place determined by the Board and specified in the Rules, except as herein provided.

**2. Annual Meeting.** The Annual Meeting of the Club shall be held during the month of September for the purpose of electing the Officers of the Club, and for the transaction of such other business as may come before the meeting. Notice of the Annual Meeting shall be given to each member at least five (5) days and not more than forty (40) days before the date of said Annual Meeting.

**3. Special Meetings.** Special Meetings of the members may be called by the Chairman, President, three or more members of the Board, or by the written petition of at least 20% of the Active Members. In the case of a Special Meeting called by the Active Members, it shall be the duty of the Secretary to call such meeting within 30 days after such petition has been received by the Secretary. Notice of a Special Meeting of the members, stating the time, date, place, and, in general terms, the purpose of the meeting, shall be given in writing at least five (5) and not more than forty (40) days before the date of such meeting.

**4. Quorum.** At any meeting of the members, a quorum shall consist of 20% of the Active Members.



**5. Meeting Protocol.** The President, Vice President, Chairman of the Board, or, in their absence, a Presiding Officer selected from the remaining Club Officers in attendance or from the Active Members present shall preside over the meeting of the members. Robert's Rules of Order shall be observed unless otherwise covered by the Bylaws. The Presiding Officer shall call the meeting to order and conduct any necessary business.

**6. Voting.** In matters requiring a vote by the membership, each Active Member shall have one (1) vote. A simple majority of the Active Members present at a meeting at which a quorum is present shall be required for the adoption of any resolution and/or for the election of Club Officers.

## **B. Board**

**1. Regular Board Meetings.** Regular Board meetings shall be held at a time and place determined by the Board and specified in the Rules.

**2. Special Board Meetings.** Special meetings of the Board may be called by the Chairman of the Board, the President, or three (3) or more members of the Board. Notice of special meetings of the Board stating the time, date, place, and the general purpose of the meeting shall be given to each Director at least two (2) days before the day of the designated meeting.

**3. Quorum.** Two-thirds (2/3) of the Directors shall constitute a quorum at all regular and special meetings of the Board. A simple majority of the Directors present shall be required to pass any resolution or authorize action by the Board, except where otherwise required by these Bylaws.

## **V. Sale and Purchase of Assets**

**A. Sale of Asset(s).** Except in the case of the sale of all, or substantially all, of the Club's assets, which is governed by ARTICLE VI, all sales of Club assets having a value in excess of one thousand dollars (\$1,000.00), must be approved by two-thirds (2/3) vote of the Board. Unless it is otherwise determined by two-thirds (2/3) vote of the Board, all such sales of the Club's assets having a value in excess of one thousand dollars (\$1,000.00) must be subject to competitive bidding under conditions to be determined by a majority of the Board.

**B. Purchase of Asset(s).** Any purchase of assets in excess of one thousand dollars (\$1,000.00) shall be approved by either a majority of the Board, or a majority of a Committee appointed by the Board for said purpose. Any such Committee must consist of an odd number of no less than three (3) members, and shall be subject to all guidelines and other directions given to the Committee by the Board. The appointment of the members to serve on any such Committee and the guidelines

and directions given such Committee shall be approved by two-thirds (2/3) vote of the Board.

**C. Maintenance Officer Authorization.** The Maintenance Officer, with the approval of two (2) other Board members, may authorize payments up to four thousand dollars (\$4,000.00). Such authorization is limited to annual inspections, repairs, or replacements.

## **VI. Dissolution and Liquidation**

**A. Resolution of Liquidation.** Any sale of all, or substantially all, of the assets of the Club, or liquidation or dissolution of the Club shall be made pursuant to a resolution adopted by two-thirds (2/3) vote of the Board. Such resolution must recommend that all, or substantially all, of the Club's assets be sold, or that the Club be liquidated or otherwise dissolved.

**B. Notice of Liquidation.** Notice of any Membership Meeting to liquidate or dissolve must be given to all members at least five (5) and not more than forty (40) days before such meeting, and must state the time, date, place, and purpose of the meeting.

**C. Vote.** Any resolution to liquidate or dissolve must be adopted by a two-thirds (2/3) vote of the Active Members present at the meeting called for that purpose.

**D. Dispersal of Funds.** After payment of all obligations of the Club have been made, or, if adequate provision has been made for all such obligations, any remaining surplus shall be distributed equally to all Active Members of the Club as of the date the resolution referred to in Paragraph 1 above, was adopted.

## **VII. Surplus**

**A. Year-end Surplus.** Any annual net surplus or savings remaining after all operating costs and other expenses have been paid shall remain in the Club's Treasury for the purchase of new equipment, reducing hourly rates, or for maintaining proper reserves as shall be determined by the Board.

## **VIII. Books and Records**

**A. General.** The Club shall keep correct and complete books and records of account and shall also keep minutes of the meetings of its members, Board, and committees having any of the authority of the Board.

**B. Inspection of Books.** All books and records, excluding those determined to be private in Paragraph 3, below, may be inspected by any member, for any proper purpose at a reasonable time.

**C. Board Proceedings.** The Board shall maintain a complete record of all its actions and proceedings and present a statement of such at the regular member meetings of the Club. These public records shall exclude actions carried out in Executive Sessions closed to the general membership and public which involve a specific member or members. Such actions will be considered confidential between the Board and the affected member(s), unless the Board by majority vote, or the affected member(s) in writing, authorize(s) such action(s) to be made public.

## **IX. Notices**

**A. Procedure.** Any notice permitted or required to be given to any member under the provisions of these Bylaws, or under the Rules of the Club, shall be given in writing and sent either first-class mail, postage prepaid, or electronically by email and shall be addressed to the address of the member involved as it appears on the records of the Club. Notice shall be deemed delivered either when deposited in the U.S. Mail, postage prepaid, or when sent electronically by email and addressed to the address of the member as it appears on the Club records. If the time for giving notice should fall on a Saturday, Sunday or Holiday, then the time shall be extended to the first day after any such Saturday, Sunday, or Holiday.

**B. Waiver.** Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the Bylaws of the Club, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## **X. Amendments**

**A. Authority.** The power to alter, amend, or repeal the Bylaws or adopt new Bylaws shall be vested in the members.

**B. Procedure.** Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given at least five (5) days but not more than forty (40) days in advance, and shall require a two-thirds (2/3) vote of the Active Members present at any such meeting.

**C. Limitations.** The Bylaws may contain any provisions for the regulation and management of the affairs of the Club not inconsistent with law or the articles of incorporation.

## **XI. Rules and Regulations**

**A. Procedure.** Rules affecting members and the day-to-day business and operation of the Club equipment shall be adopted at any regular or special meeting of the Board by a two-thirds (2/3) vote of the Directors present.

**B. Publication.** These changes are to be published in the Club monthly newsletter and incorporated into the Rules of the Club.

## **XII. Indemnification**

**A. Indemnification.** Each person who at any time is or shall have been a director, officer, employee, or agent of this Club, or is or shall have been serving at the request of the Club as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by this Club in accordance with and to the full extent permitted by the General Not For Profit Corporation Act of Illinois as in effect at the time of adoption of this bylaw or as amended from time to time.

**B. Right to Payment of Expenses.** To the extent that a director, officer, employee, or agent of the Club has been successful, on the merits or otherwise, in the defense of any action, suit, proceeding, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

**C. Determination of Conduct.** Any indemnification under Paragraph A of this Article (unless ordered by a court) shall be made by the Club only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances, particularly, if such person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Club and had no reasonable cause to believe their conduct was unlawful. Such determination shall be made (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding; (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or (c) by the members entitled to vote, if any.

**D. Payment of Expenses in Advance.** Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Club in advance of the final disposition of such action, suit, or proceeding, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Club as authorized in this Article.

**E. Indemnification Not Exclusive.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or

agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

**F. Insurance.** The Club may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Club, or who is or was serving at the request of the Club as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Club would have the power to indemnify such person against such liability under the provisions of this Article.

**G. Notice to Members.** If the Club has paid indemnity or has advanced expenses under this Article to a director, officer, employee, or agent, the Club shall report the indemnification or advance in writing to any members entitled to vote with or before the notice of the next meeting of the members entitled to vote.