CHEWELAH FLYERS, INC

BY-LAWS

ARTICLES OF INCORPORATION

September, 2021

ARTICLE I -- NAME

The name of this Corporation shall be "CHEWELAH FLYERS".

ARTICLE II -- OBJECTIVES

The objectives and purposes for which this Corporation is formed are:

- 1. To promote interest in aviation and to provide aircraft and facilities for the training and use of its members.
- 2. To acquire and own real estate and personal property.
- 3. To allow members to exercise all powers, rights and privileges necessary to the purpose for which this Corporation is organized, provided they do not engage in any commercial, business for profit or illegal activities. All functions are for the mutual benefit of its members.

ARTICLE III -- STOCK

This corporation shall have no capital stock and no shares of stock will be issued

ARTICLE IV -- MEMBERSHIP

<u>SECTION I</u> Membership may be gained by written application to the Club Officers. This application should be received at least 14 days in advance of the meeting in which the applicant is to be considered for membership. At this meeting, the applicant will be interviewed and asked to give a brief summary of such items as their background, aviation experience and intentions as a Clubmember. This application must receive a favorable majority vote. Such vote shall be taken at a regular meeting which is held in accordance with Article VIII, Section IV of these Articles of Incorporation.

<u>SECTION II</u> The Corporation shall provide a selected number of memberships to be available for purchase by prospective members. Each member shall subscribe to and pay for such membership, which will be based upon a proportionate share of the current total net assets of the Corporation or an alternate amount approved by the membership. This amount will be due and payable to the treasurer at the time of notification of acceptance into membership. Memberships may also be transferred as defined in Section VI of this Article.

<u>SECTION III</u> Each member will be issued a certificate of membership and be furnished a copy of these "By-Laws".

<u>SECTION IV</u> Each member must provide written certification that he has read, understands and agrees to abide by these "By-Laws". This certification must be made before final acceptance into the Club and renewed at each revision. Members under the age of 18 years must be certified by a parent.

<u>SECTION V</u> Each member may own only one share of the Corporation.

<u>SECTION VI</u> Transfer of membership from one individual to another may be made only with the approval of the current membership at the request of the member or his heirs, and only after certification from the Treasurer that the membership is clear and all encumbrances have been satisfied, and shall be otherwise in compliance with other sections within this Article. The cost of the transferred membership may be any amount agreed upon by both individuals.

<u>SECTION VII</u> Each member in good standing is entitled to a single vote and there shall be no voting by proxy. Voting rights and privileges shall be suspended upon notification of delinquency as set forth in Article VI, Section VI of these Articles of Incorporation.

<u>SECTION VIII</u> There shall be no 'inactive' membership provision. If a member becomes unable or unwilling to continue active participation in the Club, the dues assessment will continue to accrue against that account until transfer or repossession is made. Any delinquency must be reconciled before the membership can be transferred.

<u>SECTION IX</u> The number of members is tentatively set at twenty. This number may be altered at any time by a majority vote and could be dependent upon the facilities available and the needs of the program in the future.

 $\frac{\text{SECTION X}}{\text{A Member that violates any SECTION of these By-Laws may be expelled from the Club or be given a lesser sanction such as grounding for a specific period of time or an assessment of a fine. Any Expulsion or Sanction must be approved by 3/4 of the members present at a regular Club meeting. An expelled Club member will be reimbursed their membership cost after all dues, insurance deductibles, fees and assessments have been deducted.$

ASSOCIATE MEMBERSHIP

<u>SECTION X</u> The spouse or child under age 19, of a member in good standing may apply for Associate Membership status and will be accepted or refused by a vote of the members. This associate status will remain in effect until the associate member or the certificated member requests termination or the Club revokes the status. This can be done at any time.

<u>SECTION XI</u> The Associate member will have no ownership or voting rights, but will be bound by all other rules and regulations set forth in these "By-Laws." The Associate will be required to pay the established monthly dues and hourly rate for flying time.

<u>SECTION XII</u> The certificated member will be responsible for the actions and financial encumbrance of the Associate.

ARTICLE V -- ASSETS

<u>SECTION I</u> The net worth of the assets of the Corporation are the basis for determining the value of each membership and are defined as, but not limited to, the current value of the aircraft, equipment and facilities for which title can be shown.

<u>SECTION II</u> Dissolution of the Corporation, may be accomplished by majority vote as defined in Section III of this Article. The Secretary-Treasurer must certify that all voting members are current and in good standing. With passage of the motion, the assets of the Corporation may be sold and the proceeds divided equally among the current members in good standing. The share of any individual showing indebtedness to the Club will be reduced by the amount owed.

<u>SECTION III</u> A Corporation Dissolution Vote is valid only if taken at a legal meeting and if there is at least a majority of the current membership *present* and that notice has been sent by certified mail to each member fourteen days in advance stating this intent. Each voting member must be certified to be eligible to vote under Article IV, Section VII of the Articles of Incorporation and must otherwise be in good standing with all other items defined in these "By-Laws".

ARTICLE VI -- FINANCE

<u>SECTION I</u> Club financing shall be accomplished by assessing each member a monthly dues and by an individual assessment to cover the cost of aircraft operation. Upon specific occasion it may become necessary to make additional individual assessments. These items are further described in the following sections.

<u>SECTION II</u> Dues. Each member shall be assessed an equal amount each month to pay fixed costs relating to the operation and administration of the Club. This amount shall be reviewed periodically to ensure that the assessment is adequate and any changes shall be approved by majority vote of the members present at a legal meeting.

<u>SECTION III</u> Flying Assessments. Each member that operates a Club aircraft shall be assessed an amount that has been determined to be an appropriate compensation to the Club for the costs directly related to the operation of that aircraft. This assessment is further described in Article II of the "Flight Rules and Regulations".

<u>SECTION IV</u> Additional Assessments. Unanticipated expenditures could require that additional monetary assessments become necessary. In such an event, the amount of debt incurred will be divided equally among the members. Each member will be given the opportunity to pay his share as a lump sum. If this does not produce enough money to satisfy the encumbrance, a loan may be secured by the Club Officers and the loan payments divided equally among the remaining members. Notice of the intent to procure such a loan shall be sent to all members ten days prior to the meeting in which it is to be considered and approval of such action must be gained by majority vote.

<u>SECTION V</u> Payment. Payment of all charges for the preceding month are due and payable on the last day of that month. It shall be the duty of the Secretary to inform each member of the status of their account. It shall also be the responsibility of each member to ascertain from the Secretary, the amount owed and to pay same in a timely manner. Any portion of the account that remains unpaid on the 25th day of the following month is past due and the account will be assessed an interest penalty at the rate of 1.5% per month on the unpaid balance. Exception may be made in cases where the member makes arrangements with the Secretary to pay on an alternative schedule that is agreeable to both parties and that schedule is met.

<u>SECTION VI</u> Recourse.

• If a member's account becomes delinquent beyond 60 days of the due date, the flying and voting privileges of that member *may* be suspended and will remain so suspended until the account is paid in full. The action taken will depend upon specific circumstance.

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 - If a member's account becomes delinquent beyond 120 days of the due date, the flying and voting privileges of that member *shall* be suspended, and the member notified that the Club may take action to void and repossess the membership if the account is not brought up to date. If the member does not then respond with payment in full or make an agreement with the Secretary on a mutually acceptable schedule of payment and meet that schedule, the individuals right to that membership may be voided at any time of the Clubs choosing.

ARTICLE VII -- INSURANCE

<u>SECTION I</u> Insurance coverage shall be maintained as required and approved by the membership.

<u>SECTION II</u> In the event of a damage claim covered by insurance, the responsible Clubmember will be assessed the insurance deductible amount. In the event of damage repair costing less than the insurance deductible, the responsible member will be assessed the amount of the repair.

<u>SECTION III</u> In the event of a damage claim not covered by insurance or above the insured amount, to or by Club aircraft being operated in accordance with these regulations, Club assets will be used to defray the costs incurred. The deductible assessment described in Section II of this Article will apply.

<u>SECTION IV</u> In the event of damage to Club aircraft not covered by insurance, being operated contrary to these and/or FAA Regulations, the Clubmember or his estate shall be assessed the value of the damage. In case of doubt as to the cause of the accident, the Board of Directors shall abide by the findings of the FAA or the National Transportation Safety Board.

<u>SECTION V</u> The club may self-insure for hull coverage of an aircraft as approved by the membership. Any Clubmember operating a Club aircraft without hull coverage shall be responsible for the first \$1000 per incident of damage caused by that Clubmember to that aircraft. Repairs beyond \$1000 per incident will be paid using club assets. A dedicated fund will be maintained by the club for any aircraft without insured hull coverage. A target amount of at least 60% of the aircraft value will be maintained as hull coverage. The membership may establish an assessment as needed to achieve the required amount of hull value.

ARTICLE VIII -- MEETINGS

<u>SECTION I</u> Meetings will be held monthly at a time and place designated by the Officers.

<u>SECTION II</u> One of the regular monthly meetings will be designated as the "annual meeting" and such designation will be made by the Officers.

<u>SECTION III</u> Notice of the meetings will be given in advance, stating the time and place of the meeting.

<u>SECTION IV</u> Business may be conducted only if there is a quorum and at least two elected officers are present. Twenty five percent (25%) of the membership will constitute a quorum.

ARTICLE IX -- TRUSTEES

<u>SECTION I</u> Officers of this Corporation shall be as follows:

- 1. President
- 2. Vice-President
- 3. Secretary-Treasurer

The above listed Officers will make up the Board of Directors.

<u>SECTION II</u> The Officers will serve a term of one year.

<u>SECTION III</u> Thirty days prior to election date, the president may appoint a nominating committee, who will select candidates for office. Nominations may also be made from the floor on election day. Selection of officers may be by voice or secret ballot vote at a meeting that conforms to the requirements of Article VIII, Section IV of these Articles of Incorporation.

<u>SECTION IV</u> In the case of vacancy in the President's office, the Vice-President will serve the remainder of the term and the office of Vice-President will be filled by majority vote. Vacancies in the office of Secretary-Treasurer shall also be filled by majority vote.

 $\frac{\text{SECTION V}}{\text{SECTION V}}$ The Officers shall not incur any capital indebtedness for the Corporation without the approval a quorum of voters as set forth in Article VIII, Section IV of these Articles of Incorporation, and such action has been recorded in the minutes.

ARTICLE X -- DUTIES OF OFFICERS

<u>SECTION I</u> The duties of the Officers shall be to conduct all business consistent with the operation of the Corporation and supervision of the rules and regulations as adopted by the members.

<u>SECTION II</u> The President will preside at meetings, sign all legal documents and exercise the powers and duties of an executive officer.

<u>SECTION III</u> The Vice-President will preside and execute the powers of the presidency in the absence or vacation of the President.

<u>SECTION IV</u> The President may appoint such committees as may be necessary to conduct the business of the Corporation.

<u>SECTION V</u> The Secretary-Treasurer shall be represented at all meetings and shall keep accurate and complete minutes of said proceedings. He shall keep records giving the name, address and the account status of each member. He shall maintain and issue membership certificates and shall perform such other duties as pertain to his office or as required by the membership. He shall have charge of the funds of the Corporation, depositing the same in such depository as may be designated by the Board of Directors and the Secretary shall have the power to endorse on behalf of the Corporation for the purpose of deposit of all checks, drafts, notes or orders, and give receipts for the same. He shall disburse funds of the Corporation in the manner designated by the Board of Directors, making proper vouchers for such disbursements. An annual audit of the accounts will be made and a complete financial statement furnished the members at the annual meeting.

<u>SECTION VI</u> The President and Vice-President will serve without pay. The Secretary-Treasurer, and appointed officers, may be granted compensation at the discretion of the members. This item shall remain under review and be altered as appropriate.

ARTICLE XI -- REVISIONS

<u>SECTION I</u> These Articles of Incorporation may be altered, revised or amended at any regular meeting or at any special meeting called for that purpose, provided that written notice of the proposed changes, together with a brief summary of the proposed changes, shall have been sent to all members at least ten days prior to the meeting at which they are to be considered. These changes must receive a majority vote.

CHEWELAH FLYERS, INC

FLIGHT RULES AND REGULATIONS

ARTICLE I -- RESERVATIONS

<u>SECTION I</u> Reservations for all flying time must be scheduled by the approved reservation procedure. The reservation will note name, departure time, estimated time of return and should note the proposed destination.

<u>SECTION II</u> It is the responsibility of the member scheduling the reservation to cancel as soon as possible if he finds himself unable to keep the reservation.

<u>SECTION III</u> For extended cross-country trips, aircraft reservations may be made for up to one week. Longer reservations will be subject to prior approval of the Officers of the Corporation.

<u>SECTION IV</u> No individual may schedule more than two reservations at any one time without prior approval of the Officers of the Corporation.

 $\underline{SECTION V}$ If a member is thirty minutes late in activating his reservation, the time is open for the use of any other member.

<u>SECTION VI</u> If a member is standing by due to weather or other valid reason, the reservation will remain open until the time reserved has expired or the reservation canceled by the holder. It is the responsibility of the reservation holder to make others aware of the status of the reservation, either through the reservation service or by other means.

ARTICLE II -- ASSESSMENTS

<u>SECTION I</u> Each member that operates a Club aircraft shall be assessed an amount that has been deemed compensatory for the costs of operation of that aircraft.

<u>SECTION II</u> These costs shall be based upon fuel and oil consumption, estimated repair costs and projected engine overhaul costs. It is not intended that any of the above costs be subsidized by the monthly dues assessment.

<u>SECTION III</u> This assessment shall be made on a "cost per engine hour" basis and shall be reviewed periodically to ensure that it is sufficient to cover the expenses of operating that particular aircraft.

<u>SECTION IV</u> Payment shall be made as prescribed in Article VI of the Articles of Incorporation.

ARTICLE III -- MAINTENANCE

<u>SECTION I</u> The President will appoint a Maintenance Officer to serve for a one year term concurrent to his own. The Maintenance Officer will not be afforded the executive powers of an elected officer.

<u>SECTION II</u> Aircraft maintenance shall be accomplished at the advice of the Club Officers. All maintenance should be done under the supervision of the Maintenance Officer and the Maintenance Officer should be notified if any maintenance or repairs are accomplished without his knowledge.

<u>SECTION III</u> All maintenance and inspections shall be done in accordance with current FAA Regulations.

<u>SECTION IV</u> It is the responsibility of the Maintenance Officer to schedule and co-ordinate maintenance and repairs of the aircraft to minimize down-time.

<u>SECTION V</u> In the event of a malfunction or damage to the Club aircraft, the member concerned will do the following.

- 1. He must notify the Maintenance Officer as soon as possible.
- 2. He must post a notice in a conspicuous place on or near the aircraft.
- 3. He must notify, or cause to be notified, any members on the reservation list who may be inconvenienced by such damage or malfunction.

<u>SECTION VI</u> Any Officer of the Club may ground a club aircraft if it is determined that there is a mechanical or administrative problem that would render the aircraft inoperable. An aircraft grounded for any reason cannot be returned to service until an Officer of the Club has removed such restriction. In the case of a mechanical grounding, the aircraft may be returned to service upon the certification of a licensed mechanic that the problem has been rectified.

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<u>SECTION VII</u> In an emergency situation when repairs are necessary and it is not possible to gain approval from a Club officer, a member may cause repairs to be preformed on the Club aircraft not to exceed \$300.00. If the cost of repair exceeds that amount, the member must then submit the invoice for approval by the Club Officers. If the expense is approved, the member will be given credit.

ARTICLE IV -- FLIGHT RULES

<u>SECTION I</u> A. General Flying:

Club aircraft will be operated only in strict accordance with the applicable FAA Regulations, State and Local regulations, the manufacturer's handbook, requirements of the company insuring the aircraft, these "Flight Rules and Regulations" and any special rules set forth by the Club Officers.

B. Prohibited Flying:

Off-Airport landings are not permitted, except in case of an emergency. Members shall make landings only on airports found on FAA Aeronautical Charts or in FAA Publications. Landings on other than airports found on official publications must be approved by club prior to any use.

<u>SECTION II</u> Any member who operates the Club aircraft, must maintain at least the minimum flight proficiency prescribed by FAA Regulation and these "Flight Rules and Regulations", and in particular, must hold a Pilots License and a current and effective Medical Certificate and Biennial Flight Review endorsement.

<u>SECTION III</u> All new members must be checked out in the Club aircraft by an FAA certified instructor or by any club pilot who is current and certified in the make and model of aircraft being flown.

<u>SECTION IV</u> Any member intending to operate a Club aircraft must have a log book endorsement by a CFI showing that they are qualified to operate that *make* and *model* of aircraft.

 $\frac{\text{SECTION V}}{\text{and the safety of the aircraft he is about to operate as prescribed in the aircraft handbook and the FAA Regulations.}$

<u>SECTION VI</u> It will be the responsibility of a member using an aircraft to ensure that that aircraft is left in a READY TO FLY condition, which will include leaving the interior clean, the bugs washed off the leading edges and the fuel tanks full.

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<u>SECTION VII</u> Each member concerned is responsible for the security of Club aircraft, which includes tie down in a safe area and doors locked if the aircraft is to be left unattended.

<u>SECTION VIII</u> The Club aircraft shall not be stored in any other location than its hangar at the Sand Canyon Airport without the approval of the Club Officers.

<u>SECTION IX</u> Student pilots will be allowed to operate the Club aircraft only under the supervision of a Certified Flight Instructor.

SECTION \underline{X} Only Club members and Associate Members will be allowed to operate or receive instruction in the Club aircraft. Excepted are Certified Flight Instructors while accompanying Members or Associate Members for purposes of instruction.

<u>SECTION XI.</u> Any club member found in violation of these "Flight Rules" of this Article is subject to the disciplinary actions as decided on by the Club Officers up to and including removal from the Club.

ARTICLE V -- GENERAL RESPONSIBILITIES

<u>SECTION I</u> Current Club Officers shall have the authority to ground any member from flying Club aircraft for good and pertinent reason. Such grounding suspends the member from flying the Club aircraft until there is a meeting called to act on said grounding order. This meeting is to be called at the earliest possible time for the convenience of all concerned.

<u>SECTION II</u> Any member can at any time, and it shall be his duty to, bring to the attention of the Officers, any violation of FAA Regulations or these "Flight Rules and Regulations" he may observe any other member of the Club committing.

<u>SECTION III</u> Clubmembers shall engage only in those activities for which they are qualified.

SECTION IV Any member who has:

- a. had an aircraft accident, incident or insurance claim in any aircraft;
- b. had their pilot or *drivers license* surrendered, suspended or revoked;
- c. been convicted of, plead guilty or no contest to, any felony or moving traffic violation;

must report the incident to the Club secretary within 7 days.

 $\underline{SECTION V}$ Special or Temporary rules that have been approved by the membership and are not covered in this document shall be announced at regular meetings and/or posted on the bulletin board at the hangars.

The foregoing "BY-LAWS" were adopted by the membership at a regular Chewelah Flyers meeting held on November 2, 2000.

This revised version of the Chewelah Flyers, Inc. "BY-LAWS" cancels and supersedes any and all of the original documents and subsequent revisions.

Val Hixson President Ty Plute Vice President Bob Nelson Secretary/Treasurer

CERTIFICATION

I, _____, hereby certify that I have received, read and Print Name

understand the "Articles of Incorporation" and "Flight Rules and Regulations" of the

Chewelah Flyers, dated November 2, 2000. I agree to abide by the requirements

set forth in these documents for the duration of my membership in the Chewelah

Flying Club.

Signed:

Dated: