

MONTICELLO FLYING CLUB, LLC.
OPERATING AGREEMENT

ARTICLE I - PURPOSES AND POWERS

Section 1 – Purpose: The purposes for which Monticello Flying Club, LLC. (hereinafter the “Club”) is organized and the powers which the Club shall possess are as follows:

- A) To provide pleasure, recreation and for other nonprofitable purposes for its members, substantially all of the activities of which are for such purposes and no part of the net earnings of which inures to the benefit of any member.
- B) To provide opportunities for members to commingle and share their interest in and enjoyment of aviation and aviation related activities.
- C) To own or lease and maintain one or more aircraft for the education, transportation, and general use of the Members of the Club or their families or such individuals as the Board of Directors may designate pursuant to this Operating Agreement which may hereafter be adopted.
- D) To have and exercise all powers outlined in Chapter 12 of Title 13.1 of the Code of Virginia, except for those power prohibited by this Operating Agreement or those not consistent with Section 501(c)(7) of the Internal Revenue Service.

Section 2 – Powers: The Club and its Members shall have all powers and rights of a limited liability company organized under the Virginia Limited Liability Company Act, Va. Code Ann. §§ 13.1-1000, et. seq., as amended (hereinafter the "Act"), to the extent such powers and rights are not proscribed by the Articles and consistent with Section 501(c)(7) of the Internal Revenue Service .

Section 3 – Management: The Members of this Club, by signing this Operating Agreement or the Membership Agreement, agree to transfer their management rights and authority to act for the Club to the Managers (hereinafter the “Directors”), who will be elected from among the members of the Club and who will form a Board of Directors for the operation of the Club. The Board will also act as the sole representatives of the Club to the Airport Authority. The minimum number of board members shall be ONE (1) and the maximum number of board members shall be SEVEN (7).

Section 4 – Internal Governing Documents: The Club shall be governed by the Articles of Organization, this Operating Agreement (hereinafter the “Bylaws”), the Club’s Flying Rules, the Club’s Scheduling Rules, and the “Directions for Managers” document. In the case of a conflict between these documents, the order of precedence of these documents is as just listed, with the Articles of Organization superseding all others. None of these internal documents relieve a member of their responsibility to abide by the below listed external documents.

Section 5 – External Governing Documents: The Club will be also comply with all applicable FAA FAR’s, the Act, Federal/State/Local Laws, and with the Charlottesville-Albemarle Airport Authority

(hereinafter the “Airport Authority”) Flying Club Rules. By signing these Bylaws, members are agreeing to follow these regulations as well and failure to do is grounds for expulsion.

Section 6 – Specific Powers Not Granted to The Club: The Club shall not issue bonds, lend money, invest money (except in a bank savings account), pay pensions or benefits, make donations, pay compensation to Directors (except as explicitly provided in these Bylaws), have employees, inure benefits to any members (except upon dissolution), or insure for its benefit the life of any manager or member.

ARTICLE II- MEMBERS

Section 1 – General: To become a member, a person must purchase an interest (hereinafter a “Membership”) in the Club at the rate determined in Appendix B and must complete all requirements identified in Article VII. The Club will have only the following classes of members:

- A) Associate: Associate Members have no vote, may not solo in a Club aircraft, and will pay a reduced annual fee. The Board may further subdivide this class into all or some of the following subcategories for the purpose of setting specific rules: Social, Family, and Student Family
- B) Regular: Regular Members have one (1) vote and may solo in Club aircraft as provided in these bylaws. The Board may vote to further subdivide this class into all or some of the following subcategories for the purpose of setting specific rules: Regular and Regular Plus

Section 2 – Names and Office/Meeting Location: The names and addresses of the Members are attached hereto as Appendix A, which list may be modified from time to time by the Board of Directors. The principal office of the Club shall initially be in the County of Albemarle at 4354 Chris Greene Lake Rd, Charlottesville, VA 22911. The principal office may be changed from time to time by the Board of Directors. All meetings of the Members, except as herein otherwise provided, shall be held at a place to be determined by the President.

Section 3 - Duties: The duties of Members shall be:

- A) To attend at least two (2) meetings per calendar year.
- B) To uphold the dignity of the Club at meetings and on the flying field, to be alert and mindful of the Club's interests.
- C) To be responsible for the care and proper use of all Club aircraft and equipment.
- D) To report immediately any damage, accident, incident, unusual circumstances, etc., to a member of the Board.
- E) To exercise due caution and safety in flying.
- F) To observe all federal, state, local and Club rules and regulations.
- G) To elect each June the Managers to take office July 1 of each year.
- H) To execute if necessary the recall procedure by the General Membership against one or more of the Directors.
- I) Vote on all single expenditures of the Club in excess of \$5,000.
- J) To vote on the sale, lease, or purchase of any aircraft by the Club
- K) Maintain an active e-mail address for all official club correspondence.

Failure to execute these responsibilities may result in expulsion and/or penalties per these bylaws.

Section 4 – Member Meetings:

The annual meeting of the Members of the Club shall be held during month of June (beginning in 2014) at such time as the Board of Directors shall determine. Notice of the annual meetings to the Members shall be given by written notice e-mailed to each at least ten (10) days, but not more than sixty (60) days, before such annual meeting. Special meetings of the Directors 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 SIX (6) Members. It shall be the duty of the Secretary to call such meetings within thirty (30) days after such demand. Notice of special meeting of Members, stating the time, in general terms the purpose thereof, and any items to be presented for vote, shall be given in a like manner as the notice required for the regular annual meetings. If all the Regular Members shall be present at any gathering, any business may be transacted without previous notice. At any meeting of the Members, a quorum shall consist of twenty-five percent (25%) rounded up to the next whole number of the Regular Members who are in good standing. The President, or in his 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 officer thereof. Votes cast by mail or e-mail will be accepted provided they are received by the Secretary at least THREE (3) days prior to the meeting when the vote is to be taken and written proxy votes will also be accepted provided the proxy is in writing, signed by the member granting the proxy, and presented to the Secretary prior to the meeting when the vote is to be taken.

A majority vote of the Members present is necessary for the adoption of any resolution and for the election of a Member as a Director. Parliamentary procedures will be followed and minutes will be kept at all meetings.

Section 5 – Social Events: The Club will schedule at least 1 social event per month for the purpose of providing additional opportunities for commingling of members. Items may be voted on at these meetings as long as the items for vote are e-mailed to all members 30 days prior to the event. The dates of the social events will be posted on the Club website. The annual meeting may take the place of the social event for that month.

Section 6 – Use of Club Leased or Owned Aircraft: Except as approved in advance by the Board of Directors, only the following people may operate the controls of Club leased or owned aircraft.

- A) Student Family Members while with a Club approved instructor who is a Regular Member and all Regular Members
- B) CFI's who are approved by the Club and the Authority only while instructing anyone listed in Section 5 A) of this Appendix.
- C) FAA certified mechanics while in the act of servicing the aircraft.

Solo privileges are granted upon successful completion of the Club's Solo Check-out. The Board of directors can suspend a member's solo privileges for failure to pay monies owed, as a penalty for an accident or violation of Flying Rules, upon the recommendation of a Club flight instructor due to concerns about the ability of a member to safely operate the aircraft, and any other reason laid out in these Bylaws. Any suspension must be accompanied by a written explanation of the reason, the time period, and the necessary steps to have these privileges restored.

ARTICLE III- MANAGERS

Section 1: General: As stated in Article I, the Club will be managed by a Board of Directors. The Board of Directors will delegate specific responsibilities to the Officer Positions listed in Section 7 of this Article, as outlined in the “Directions for Managers” document.

Section 2: Selection of Initial Board of Directors: The founding members of the Club will act as the initial Directors and will elect the officer positions. They will serve until July 1st, 2014. Before this date, if there are available Director positions and more members join who are interested in being Directors, the existing Directors can vote to make them a Director.

Section 3: Selection of Directors After Initial Period: All subsequent Directors will serve for a period of one (1) year or until a successor is elected at the next Annual Member Meeting. Any active Regular Member in good standing for at least one (1) year (a period that may be waived by the current Board of Directors in special circumstances) shall be eligible to be a Director. Associate Members may only run for officer positions if approved on a case by case basis by the current Board of Directors. A call for nominations will be issued on April 1st. Anyone wishing to nominate someone else or themselves will e-mail their nomination to the Secretary by May 1st, who will then e-mail out the nomination list to all members by May 15th. Elections will be held during the Annual Member Meeting held in June.

When a Special Election is required, it may be conducted at a Regular or Special meeting called for the Election. A notice announcing the Special Election shall be e-mailed to all members stating the number of Director positions to be filled and making reference to this Section of the Bylaws at least ten (10) days prior to the meeting date. The Special Election shall be held no longer than thirty (30) days from the event that required it.

Section 4: Responsibilities and Rights of the Board of Directors: The business affairs and powers of the Club shall be exercised exclusively by or under the authority and direction of the Board of Directors, and the Board of Directors shall have all authority given to Managers by the Act unless specifically not authorized by any of the Club’s governing documents. The Board of Directors will endeavor to make decisions that are in the best interest of the Club members with the following primary goals:

- 1) Compliance of the Club with Federal, State, and Local Laws
- 2) Providing safe, available aircraft for use of the members.
- 3) The solvency of the Club.
- 4) Smooth operation of the Club.
- 5) Providing social opportunities for members.

The Board of Directors may assign or delegate to any Director or Non-Director Member any specific duty or office which the Board of Directors deems appropriate and necessary to the conduct of the Club and which is not otherwise expressly provided for in these bylaws. The duties and responsibilities of the Board of Directors are outlined in the separate “Directions for Managers” document that may be viewed by any member upon request.

The Board of Directors may contract with personnel from inside or outside the Club Membership to perform such services on behalf of the Club as the Board of Directors deems appropriate and necessary.

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.

In managing the affairs of the Club and exercising its powers, the Board of Directors shall act collectively through meetings and/or written consents as provided herein or in the “Directions for Managers”.

Section 5: Board of Director Meetings: The Board of Directors shall hold annual meetings on a date and time that all Directors can attend after July 1st but no later than July 31st. Special meetings of the Board of Directors, for any purpose or purposes, unless otherwise prescribed by statute, can be called at the request of any Director. Members who were Directors at the time of the previous Annual Meeting of the Club may attend the annual meeting as advisors but will not be able to vote. Other than this, only current Directors are able attend Board of Director meetings but the Board of Directors will keep a complete record of votes and decisions made by the Board of Directors and will make them available upon request to any Regular Members or on a member only section of the Club website.

Section 6 – Recall of Directors by General Members: Any Club Member may submit by e-mail or certified letter, at any time, a motion (or separate motions if seeking to recall multiple Directors), along with a description of the presumed offense, to the Club Secretary (or the highest ranking Director not accused if the Secretary is among the accused) to recall any Director(s) whom he/she feels has defamed the good name of the Club, acts irresponsibly or negligent in carrying out his/her duties as set forth in the Directions for Managers document, or causes gross financial loss to the Club. The Board of Directors will immediately vote on whether to suspend the accused Director, and the Director receiving the motion will issue an e-mail notification to all members requesting a seconding of the motion to recall, including a description of the presumed offense and actions. If a second is not received after one week, the receiver of the initial motion will issue a second e-mail notifying of the failure to receive a second motion. If any member feels that their seconding of the motion was not properly received, they have one week to submit, by certified letter to the receiver, their seconding of the motion. If no receipt of seconding has occurred after this additional week, the recall process will be terminated and all records of the attempt will be maintained in the Club files. No one may attempt a second recall of the same Director unless they feel that additional offenses, occurring after the previous recall attempt, have occurred. If seconding of the recall has been received, the receiver will initiate the recall procedure found in the “Directions for Managers” document.

Section 7 – Officers and Selection Thereof: The Officer positions shall consist of the President, Vice-President, Secretary, Treasurer, Maintenance Officer, Safety Officer. There is one additional Director position that will not hold an officer position unless a vacancy in officer positions opens. The initial President will be Mike Vanderweide and he will appoint the remaining Officer Positions from the other members of the Board of Directors until the end of the period for the initial Board of Directors. Thereafter, the Board of Directors will elect officers from their own number at the first meeting after the regular annual meeting of the Members and shall hold office for twelve (12) months and until their successors are elected. The specific roles and responsibilities of these Officers are outlined in the separate “Directions for Managers” document that may be viewed by any member upon request.

The Treasurer Position shall be bonded if and only if the Club owns any aircraft, the premium therefore to be at the expense of the Club.

Section 8 – Required Documents to be Maintained By the Club: The Board of Directors will maintain all documents required by the Act and Section 501(c)(7) of the IRS code. The Board of Directors will only maintain a record of all contributions of current members for one year and the only record of contributions that will be maintained for the life of the Club will be the Membership Cost contributions of each member.

ARTICLE IV- SAFETY BOARD, DAMAGES
RESPONSIBILITIES, PENALTIES AND REPAIRS

Section 1- General: A Safety Board shall be designated by the Board of Directors any time a member is found to have violated a Club Aircraft Use Rule and/or for each aircraft accident/incident (herein after “event”) involving any equipment belonging to the Club, providing such event resulted in damage to equipment exceeding a sum of TWO HUNDRED (200.00) dollars or results in injuries to Club Members or their guests.

Section 2 – Composition and Responsibility of the Safety Board: The Safety Board will be headed by the Safety Officer, unless the Safety Officer was involved in the event or Aircraft Use Rule violation in which case it will be headed by the Club Vice-President, and shall consist of TWO (2) additional members of the Club who were not involved in the event or Aircraft Use Rules violation. The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances for the event/Aircraft Use Rule violation; shall arrive at conclusions regarding the probable cause and the responsibility for said event/Aircraft Use Rule violation; and shall make known to the Board of Directors, and to all parties involved in the event/ Aircraft Use Rule violation, its findings in the form of a written report.

Section 3 – Actions of the Board of Directors: The Board of Directors, upon receipt of the findings of the Safety Board shall offer to all parties involved in the event/Aircraft Use Rule violation the opportunity of a hearing. After the hearing, or if such hearing is waived by all the parties involved, the Board of Directors shall determine fault in the accident. If the Board of Directors determines that fault does not lie with a Club member, the Club will pay all repair costs incurred that are not covered by insurance. If a member is found at fault, the member will automatically have to reimburse the Club for all costs not covered by insurance, including, but not limited to the insurance deductible, the full value of any repairs to damage caused by the event not covered by insurance. Additionally, the Board of Directors, may impose additional monetary penalties and temporary (not in excess of 90 days) flight restrictions, and, upon recommendation of the Safety Officer (or Vice-President if the Safety Officer was involved in the event) additional training requirements on the member. If the findings are severe enough or of a repetitive nature, the Board of Directors can vote for expulsion from the Club as outlined in the Bylaws. The decision of the Board of Directors will be made by majority vote, and shall be final.

Section 4 – Limits of Additional Penalties: The Board of Directors shall not impose additional penalties, on any one Member in excess of ONE THOUSAND FIVE HUNDRED dollars (\$1,500.00) for any one event or in excess of ONE HUNDRED dollars (\$100.00) in cases of a Aircraft Use Rule violation only. In cases of damage to aircraft, the Board may choose to apply this penalty as necessary to cover loss in aircraft value due to having been in an accident.

Section 5 – Collection of Penalties and Financial Responsibility: All financial obligations imposed on any Member as a result of the decision of the Board of Directors shall be satisfied within sixty (60) days of written notice. In the event the member(s) is unable to pay the penalties or other damages, the monies shall be taken from the Club treasury. The member will be expelled, monies recovered per the expulsion section of these bylaws, and, if necessary, action will be taken by the Board of Directors to collect all amounts due including costs of collection, court costs and attorney’s fees.

Section 6 – Execution of Repairs of Damages: Immediately upon receiving repair funds, the Board of Directors is authorized to execute the repairs on any Club owned aircraft and execute repairs or turnover the funds to the Lessor for leased planes as provided for in the aircraft’s lease agreement.

ARTICLE V- MEMBERSHIP

Section 1 – General: Members are limited to holding one (1) membership. All members will have equal access to Club aircraft, but must become Regular Members, follow applicable Club rules, and pay the fees of Regular Members to solo or receive instruction in Club Aircraft. Student Family Members may receive instruction in Club aircraft from a Regular Member certified flight instructor but may not solo Club aircraft unless they become a Regular Member.

Section 2 – Founding Members: The founding members are James Stadelmaier, Mike Vanderweide, and Michael Holroyd. The founding members will immediately, upon paying their membership fee and signing these Bylaws, have full regular membership rights and responsibilities. They will serve as the initial Board of Directors, but no additional rights beyond those of a Director are automatically afforded to the founding members.

Section 3 – Associate Members: Associate Members will not have a vote and, with the exception of a Student Family Member, may not solo in Club aircraft. Prospective Associate Members must be presented to the Board of Directors by a sponsor. Upon a majority vote of the Board of Directors and receipt of the Membership Cost, the prospective Associate Member will receive an Associate Member membership certificate. The Board of Directors reserves the right to purchase back, at the rate allowed by these Bylaws, any Associate Membership at any point. The maximum number of Associate Members will be 200. Associate Member is subdivided into the following categories for the purpose of establishing rules and limits.

- A) Social Members – These members may attend social events but may not solo or receive flight instruction in Club aircraft. Social Members may not number more than 25% of the regular members.
- B) Family Members – These members must be immediate (parents, children, siblings) family members living in the same household of a Regular Members. They may attend social events but may not solo or receive flight instruction in Club aircraft. If a licensed Family Member wishes to solo in Club aircraft or receive instruction, they must purchase a Regular Membership and pay all Regular Membership costs.
- C) Student Family Members – These are Family Members who wish to receive training towards their private pilot’s license. The sponsors of these members will pay for any increase in aircraft insurance during the period that the Member receives instruction and the instruction must come from a Regular Member and must be done per the flight instruction rules in these bylaws. Student Family Members may log PIC time, but cannot solo in Club Aircraft without becoming a Regular Member. They may not use any of the Club’s high performance aircraft.

Section 4 – Regular Members: Prospective Regular Members must have at least a private pilot certificate, must complete, in full, a Prospective Member Form, provide a signed check for their Membership in the Club, and must be presented in front of a quorum of the Board of Directors for an interview. The Board of Directors may waive the pilot private certificate requirement on a case by

case basis only for family members of current Regular Members and only after getting a revised quote from the insurance company, the difference for which will be paid by this member. The Board of Directors will only review prospective members if there are fewer than 5 people on the waiting list. Upon 2/3rds approval by a quorum of the Board of Directors, the approved application will be returned to the Secretary. If membership positions are available, the prospective member will be given a certificate upon clearing of their check and their signing of the Member Agreement. Regular Membership is subdivided into the following categories for the purpose of establishing rules and limits. The costs and recovery of contributions are outlined in section 11 of this Article and Appendix B.

- A) Regular Basic Members – These are Regular Members who have paid the basic Regular Membership contribution and if the Club owns aircraft, will make regular additional contributions against the Club’s loan principal and will pay a loan interest assessment which will be calculated at the beginning of each year based on the difference between the Member’s principal contributions and the Regular Plus Member contribution. Once a Regular Basic Member has contributed the amount of the Regular Plus contribution, they will automatically be converted to a Regular Plus Member. The loan principal contribution may be temporarily waived by the Board of Directors for members who have a demonstrated financial hardship.
- B) Regular Plus Members – The Club may use this class of membership for Regular Members who have made a full premium contribution towards the Club’s ownership of aircraft.

The Board of Directors will determine at the beginning of each year the maximum number of total Regular Memberships for the Club, which cannot be less than the number of members currently in the Club. The Board of Directors will base this on the number of current or anticipated aircraft, the total hours flown on each aircraft the previous year, and the availability of aircraft the previous year. In general, the Board of Directors will manage the maximum number of Regular Members with the goal of limiting the total hourly usage of each aircraft to below 300 hours per year. The number of Regular Members may not exceed ONE-HUNDRED (100), no matter how many aircraft the Club has.

Section 5 – Waiting List: If there are no available memberships or if a prospective member’s membership is contingent upon the Club getting an additional plane, the prospective member who has been approved by the board will be placed on a waiting list, maintained by the President or Membership Coordinator, upon receipt of a check for their membership dues (which will be held until the member is accepted). The waiting member will be updated when their position on the list changes. Every six (6) months, perspective members on the waiting list will have an opportunity to withdraw and have their membership check returned. Once a membership position becomes available, the next person on the waiting list will be accepted and upon clearing of their membership check and signing of the Member Agreement, they will receive a membership certificate.

Section 6 – Guests: A member is allowed to sponsor guest(s) in Club aircraft and at Club social events. The member must accompany the guest(s) at all times and is responsible for the safety and the actions of the guest(s). The maximum number of guests per member at a social function is one (1) unless this limit is waived on a case by case basis by the Board of Directors. Any non-dependent guest that is taken up in a club aircraft must have a release form on file prior to entering the aircraft.

Section 7 – Member participation: In order maintain the Club and the Club aircraft, active participation is a must. If a significant number of Regular Members are not participating in Club non-flying activities or volunteering for Director positions, the Board of Directors may charge a “Failure to

Participate Fee” as outlined in the next Article. Failure to participate in non-flying activities may also be grounds for expulsion.

[Section 8 – Withdrawing from the Club: An Associate Member may withdraw at any time. A Regular Member may withdraw from the Club upon notification to the Secretary in writing ninety (90) days in advance. Once the notification has been given, the withdrawal process can only be stopped with approval from the Board of Directors. This advance notification may be waived by the Board of Directors if the member proves a financial hardship and/or a replacement member has been identified. The departing member is responsible for all dues, fees, and penalties that incur up to the date that their membership is terminated. To withdraw the departing member can either sell their Membership to a new member, if allowed in Section 12 of this Article, or to the Club as outlined in Section 11 of this Article. If a member withdraws prior to the end of their paid-for monthly dues period, refund of monthly dues can only be approved by the Board of Directors and only based on demonstrated financial hardship. Regular Plus Members can only withdraw after finding a replacement Regular Plus Member, the sale of a Club owned aircraft, or with approval of the Board of Directors based on demonstrated hardship.] – [Amended by Amendment 2](#)

Section 9 – Transferring Regular Memberships to a family member: Associate Memberships are non-transferrable. A Regular Member may request at any point to transfer their Membership to a family member who has at least their Private Pilot Certificate and meets other Club requirements. This family member must complete the new member process and if accepted, will receive all rights and responsibilities of a member.

Section 10 – Expulsion: The Club can buy back any Associate Membership at any time with the approval of a majority of the Board of Directors, thus effectively expelling an Associate Member. A Regular Member may be expelled by a two-thirds vote of the Members voting at any regular or special meeting of the Members. Ten (10) days’ notice of intent to expel shall be given to each Member who shall have the right to be heard either in person or by counsel at a meeting of the Club. A member may be expelled based solely on being a detriment to the Club and/or for the other reasons contained in other Articles and Sections of these bylaws. Race, color, religion, gender, sexual preference, or national origin may never be used as a reason to expel a member. A Member so expelled must sell their Membership to the Club as outlined in the Bylaws.

Section 10 - Death of a Member: In the event of the death of a Member, the Club will purchase the member’s Membership as outlined by the Bylaws from their estate. A Regular Member may designate prior to their death, their desire to transfer their Membership to a family member acceptable to the Board of Directors. In such a case, the Membership will be transferred upon the death of the member and the completion of the Membership requirements of the person receiving the Membership.

[Section 11 – Club Purchase of Memberships: The Club has the right to buy back any Associate Membership at any time at the rate paid by the Member. The Club has the right to buy-back a Regular Member’s Membership from a withdrawing, expelled, or deceased member at any point. For Regular Memberships, the Club will pay the amount of contributions (membership + any loan principal contributions) the member has made plus the member’s pro-rata share of the Club’s Board of Director determined “value” on this buy-back date, minus any monies, dues, fees or penalties owing to the Club. The Club’s “value” will be determined by the Board of Directors by making a reasonable effort to calculate all assets and subtract all liabilities. Assets will include among other things any Club owned aircraft valued at the AOPA VREF value and reserve accounts associated with Club owned

aircraft. Liabilities will include among other things any maintenance/engine reserve funds on leased aircraft, outstanding loan amounts, and the value of all membership and loan principal contributions of members. If this share of Club value is a negative amount, it will be subtracted from the amount of contributions in determining the amount the Club is purchasing back the membership for. The member is responsible for all gains taxes from this sale.] – [Revised in amendment 2](#)

[[Section 12 – Selling Club Memberships to anyone other than the Club:](#) Currently the Club does not allow Memberships to be sold to anyone but the Club.] – [Revised in Amendment 2](#)

[[Section 13 – Added in Amendment 1](#)]

ARTICLE VI - MEMBER PAYMENTS

[Section 1- General:](#) Membership Costs, dues, hourly rates, and assessments shall be determined by the Board of Directors and used for the purpose of establishing/maintaining operating cash and creating/maintaining equity in Club equipment. The actual rates can be found in Appendix B and on the Club’s website. Penalties are determined per other Articles and Sections of these Bylaws. Failure to pay dues, penalties or fees for more than sixty (60) days will result in automatic expulsion.

[Section 2 – Rules associated with Non-Profit Status:](#) The Club will seek to maintain its status as a non-profit social club and thus may not inure benefits to any member. As such, the Club will not reduce dues or fees for any member in exchange for services. Additionally, members who make any gains upon selling their membership, upon dissolution, or upon being contracted to do work for the Club or Club members are solely responsible to paying any applicable taxes.

[Section 3 - Membership Contributions:](#) Memberships in the Club will be sold by the Club at a rate determined by the Board of Directors. The Membership Cost serves as a means to sustain cash flow and to recover some costs if a member fails to make required payments to the Club. Regular Plus Membership Costs additionally help cover the capital costs of any Club owned aircraft.

[Section 3 – Loan Principal Contributions:](#) If the club purchases an aircraft, this monthly payment will be required of all Regular Plus Members to pay off the principal of the loan for this purchase. This amount will equal the Regular Gold Membership amount divided into equal monthly payments over 10 years and will only be assessed until the Regular Basic Member has contributed the full amount of a Regular Plus Membership, at which point their membership will be converted to a Regular Plus Membership.

[Section 4 - Annual Dues:](#) Annual dues will be calculated at the beginning of each calendar year based on the anticipated fixed costs for the following year. The Treasurer will make this calculation and then recommend the Annual dues rate to the Board of Directors for approval. This amount will be prorated to the actual months a person was a member for that year. Associate Members must pay the full amount in one lump sum at the time of joining and on January 1st every year thereafter. Regular Members can either be billed this full amount on January 1st, half this amount on January 1st and July 1st, or 1/12th of this amount the first day of each month. There may be a discount offered, as shown in Appendix B, to members who pay annual dues in one or two lump sums. Additionally, the initial members of the Club will not have to pay annual dues until the Club obtains an aircraft.

Section 5 - High Performance/Complex Assessments: If the Club owns or leases a high performance or complex aircraft, the Club may assess an additional monthly amount, as determined by the Board of Directors, each month of that year to each member, who at the beginning of the year indicates a desire to use that aircraft during the year, in order to cover the additional fixed costs associated with these aircraft.

Section 6 – Loan Interest Assessment: If the Club takes out a loan for an aircraft, this assessment, determined by the Board of Directors, may be used to offset the loan costs of the Club. Any member who elects to be able to use that aircraft during that year will pay this loan interest assessment. The loan interest assessment will be reduced for any Regular Plus Members for that aircraft and will be reduced for any member making a no-interest loan to the Club to the extent that does not cause inurement. The Board of Directors may assess this amount to all non-Plus Members if enough members are interested in flexible use of the Club owned aircraft.

Section 7 – Fuel Assessment: If any of the Club aircraft are leased wet, this assessment will be applied monthly to any hours flown on that aircraft to adjust for varying costs of fuel.

Section 8 – High Use Assessment: If scheduling becomes a problem during certain times of year, a High Use Assessment may be applied for any hours flown in excess of an amount determined by the Board of Directors in any one calendar month between June 1 and September 1 for the purpose of reducing the use of the aircraft during these times.

Section 9 – Failure to Participate Fee: If Regular Member participation becomes a problem or sufficient people are not volunteering for Director Positions or participating in the operation of the Club, the Board of Directors may decide to assess a fee to Regular Members who are not adequately participating in the non-flying activities of the Club. This fee shall not exceed \$10/month.

Section 10 – Additional Assessments: All attempts will be made to prevent additional assessments by including all anticipated costs in the monthly dues. However, there might be unforeseen issues that arise that require an additional assessment to Club members in order to maintain the fiscal stability of the Club. The Board of Directors will determine that assessment and the assessment schedule, and will communicate the amount, schedule and reason to all Club members thirty (30) days prior to charging the assessment. Any Club member, with a second from another Club member, may request a special meeting of Club members in order to vote on striking down the assessment. A 2/3rds vote of present voting members is necessary to strike down an assessment.

Section 11 - Hourly Aircraft Use Fee: The hourly aircraft use fee shall be determined by the Board of Directors with any changes posted on the Club website on the first of each month. These rates are based on, among other things, the cost of oil, parts, overhaul and maintenance. This hourly fee on Club owned aircraft may include an additional mark-up for aircraft/avionics upgrades. Hourly rates are based on the Tachometer. The Treasurer or his or her designee will obtain the aircraft usage information for the previous month on the first day of each month for the purpose of creating member billing. The aircraft flight log book is the authoritative source of number of hours flown each month by each member. It is each Member's responsibility to ensure the current Tachometer and Hobb's readings are correct prior to starting the engine for their flight. Members will be billed on the fifth (5th) of each month for their accumulated hours for the previous month.

Section 12 – Penalties: Members may be assessed penalties per these bylaws and the Club’s Aircraft Use Rules. There are penalties for breaking Club rules, being responsible for aircraft damage, delinquency of payment, and for abandoning the aircraft, the details of which are outlined in other sections and articles. These penalties will be due at the member’s next payment date or as provided by these bylaws.

Section 13 – Delinquency: Any Member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the Club within fifteen (15) days after said sums shall be due, shall be considered a delinquent Member and shall be automatically 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 and each month thereafter 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 within sixty (60) days of the due date, the Member shall automatically be expelled from the Club as outlined in these Bylaws. The Board of Directors will not allow special arrangements for payment of delinquent funds as an alternative to expulsion for a member.

ARTICLE VII - CLUB FINANCES

Section 1 – General: Maintaining financial stability on a self-supporting basis will be a prime responsibility of the Board of Directors. Additional responsibilities of the Directors related to Club finances can be found in the “Directions for Managers” document. All of the below obligation authorities assume there are sufficient Club funds available. Any obligation that would place the Club in debt requires approval of the general members. Any borrowing of funds must also be approved by the general members.

Section 2 – Dues, Fees and Penalties: These are covered in the previous Article and Appendix B.

Section 3 – Obligation Authority General: 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.

Section 4 – Obligation Authority of Treasurer: The Treasurer is authorized to expend Club funds in payment for all annually recurring fixed costs of the Club and all operating costs not in excess of one thousand dollars (\$1,000.00). The Treasurer must obtain approval from the Board of Directors for any non-annually recurring expenditures and all expenditures in excess of this amount.

Section 5- Obligation Authority of Maintenance Officer: The Maintenance Officer may authorize work on Club aircraft not in excess of eight hundred dollars (\$800.00) that replaces existing parts in kind. Repairs in kind that exceed this amount or upgrades in replacement parts of any value must be approved by a majority of 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 and must supply the Treasurer with all invoices upon completion of work in order for the Treasurer to make payment.

Section 6 – Obligation Authority of Board of Directors: A majority of the Board of Directors may obligate funds up to five thousand dollars (\$5,000.00) without the approval of a majority of the Club Members. The Board of Directors may obligate the Club for amounts that exceed this only after obtaining the approval of a majority of the Club Members.

Section 7 – Replacement of Aircraft: In the case of leased aircraft, the Board of Directors is authorized to replace any leased aircraft with one of the same make and model without prior approval from the General Membership as long as the new lease will not increase costs to the members by more than ten (10%) percent. In the case of total loss of Club owned aircraft, the Board of Directors is authorized to secure a replacement aircraft of the same make and model without prior approval from the General Membership as the value of the new aircraft is not more than twenty (20%) percent over and above the (non-damaged) value of the equipment prior to the loss. Otherwise, it must be approved by the General Membership. In either case, a replacement aircraft that requires any additional sign offs or ratings than the one being replaced must be approved by the General Membership.

Section 8 – Authority to Sell Assets: Except at dissolution of the Club, the Board of Directors must get an approval of the General Membership to sell any assets valued greater than one thousand dollars \$1,000.

Section 9 – Off-field Repairs: Individual Members will be reimbursed for any personal expenditures, upon presentation of a receipt, not in excess of two hundred and fifty dollars (\$250.00) when such expenditures are for Club aircraft repairs or maintenance necessary to safely complete a trip back to the home airport. Off-field expenses greater than \$250 must be approved by the Maintenance Officer or Board of Directors as laid out in Section 4 of this article. If the required people cannot be reached by reasonable efforts prior to 10pm, the club will pay for the member's reasonable overnight stay costs. It takes combined approval by the Club Maintenance Officer and Club President to approve the abandonment of the aircraft at an off-field location, and if so approved, the Club will pay all reasonable alternate travel fees and recovery fees. If abandonment has not been approved and the member abandons the aircraft, they will be responsible for all costs, including, but not limited to another member's travel costs and aircraft flight time to recover the aircraft.

Section 10 – Reimbursement of Expenses to Directors: Unless otherwise covered in the Bylaws, the Club, upon approval of a majority of the Board of Directors, may approve the reimbursement to a Director for expenses they personally paid to a third party on behalf of the Club. This includes but is not limited to Incorporation or Tax Filing Fees, Legal Fees for the benefit of the Club, and accounting fees for the benefit of the Club. Reimbursement is limited to only the costs paid to the third party, will not cover time spent by the member, and must be backed up by original receipts.

Section 11 – Surplus: 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 purchase of new equipment, for engine overhaul, for upgrades, for purchase of additional aircraft, for contingencies or for the purpose of reducing the hourly rates for flying as shall be determined by the Board of Directors. The net savings in any event shall not be distributed to the Members for their individual use except upon dissolution of the Club as provided in these Bylaws.

Section 12 – Financial Record Audits: Club financial records must be audited by the Vice President, Secretary, or a certified accounting firm annually or with the change of the Treasurer's office and the results reported to the membership. The person auditing cannot also hold the Treasurer Position.

Special audits may be made if requested by the Board of Directors. The audit should occur no later than February 1.

ARTICLE VIII - AIRCRAFT USE RULES

The Board of Directors shall develop, or cause to be developed, a set of Aircraft Use Rules. The Aircraft Use Rules will take into consideration varying levels of Members' experience and proficiency and the type of aircraft to be flown. These rules will also include flight proficiency requirements that may include, but are not necessarily limited to, periodic check rides with qualified flight instructors, minimum number of flight hours per period, minimum number of landings per period, and periodic refresher courses.

In conjunction with or independent of these Aircraft Use Rules, a Club approved flight instructor can recommend at any time to the Board of Directors that a member's solo privileges be suspended until gaining further instruction. Changes to these rules must be approved by a majority of the Club Members present. These Aircraft Use Rules shall have the same forces and effect as if published in these Bylaws, but in the case of conflict with the Bylaws, will be superseded by these Bylaws. It is mandatory that all members comply with such regulations or face disciplinary action and/or fines by the Board of Directors.

ARTICLE IX – LIABILITY

Section 1 – Dangers and Risks: Activities associated with a flying club are inherently dangerous due to the nature of the activities. Additionally there are financial risks of belonging to a flying club and the Club in no way ensures recovery of funds to any members beyond what is specifically stated in these Bylaws. Any member or person applying for membership may ask the President to clarify these dangers and risks at any point.

Section 2 – Personal Liability: Liability of members and Directors shall be per the Act. The liability of Directors (previous or current) and their family or representatives is eliminated as long as they remain un-compensated and except in cases where the Directors engaged in willful misconduct or a knowing violation of the criminal law. Members agree not to file suit against Directors when the Director is not liable as described in this section.

A suing party must have substantial proof that any misconduct by a Director was willful misconduct or a knowing violation of the criminal law. The termination of any action, suit or proceeding by judgment or settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The suing party will pay all legal expenses and reasonable personal time of the Director if the suit fails.

Section 3- Club Liability: Members will only attempt to hold the Club liable to the extent of the applicable limits of insurance coverage it maintains and only with regards to events that are covered by the Club's insurance. Beyond this, members, their heirs, or representatives may only sue the Club for their their share of the Club value as outlined in these Bylaws, in litigation. The Club is also not responsible for any member losses, financial or otherwise, due to scheduling conflicts, software issues,

website issues, or loss of flight reservations or aircraft availability due to maintenance or any other reasons.

Section 4 – Lessor Liability: Members will only attempt to hold the Lessor, who has provided an aircraft per the Lease Agreement, liable if it has been shown by the FAA or NTSB that he or she knowingly provided an aircraft that was not airworthy or, when he or she was responsible for maintenance of the aircraft per the Lease Agreement, knowingly failed to maintain the aircraft in an airworthy condition. The suing party agrees to pay all legal expenses and reasonable personal time of the Lessor if the suit fails.

Section 5 – PIC Determination for Liability: If more than one qualified member is at the controls of a club aircraft, the members agree that they, their family, and/or their agent will not use the Club’s reservation system to determine who was pilot in command.

Section 6 – Airport Authority: The Club has agreed to indemnify and save harmless and assume the defense of the Airport Authority, its agents, employees, and officials from and against any and all liabilities, damages, expenses, causes of action, suits, claims or judgments; and to pay all attorneys’ fees, court costs, and other costs incurred in defending such claims, which may accrue against, be charge to, be recovered from or sought to be recovered from the Authority, its agents, employees or officials by reason of or on account of damage to the property of, injury to, or death of any person arising solely from the negligence or acts of omission of the flying club at the home base airport. As such, all members of the Club, by signing these Bylaws, agree to the same.

Section 7 – Insurance: The Club will purchase and maintain at least the following insurance coverages: (a) aircraft hull in the amount requested by the lessor for leased planes and the AOPA VREF value for Club owned planes; (b) aircraft liability of \$100,000 per occurrence with sublimits of \$100,000. The insurance will provide coverage for the members and the Club. The Treasurer will be responsible for monitoring the insurance coverage, managing renewals, and making payments.

ARTICLE X- EQUIPMENT AND ACCESS

Section 1 - General: Recognizing that the success of the Club is dependent on satisfying the needs and desires of the membership; a variety of aircraft and support equipment must be acquired, maintained and disposed of; as these needs and desires arise and/or change. As such, the Directors are authorized to make all repairs and upgrades within their obligation authority outlined in Article X of these Bylaws.

Section 2 - Equipment Review Committee: The Board of Directors may appoint an Equipment Review Committee for all purchases and sales that require approval of a majority of the membership with the responsibilities outlined in the “Directions for Managers” document in order to make a recommendation to the members.

Section 3 - Airport and Club Security: Only Regular Member may obtain a ramp access badge from the Airport Authority by completing the Airport Authority’s requirements and paying their fee and must display that badge at all times while on the ramp. Anyone without a ramp access badge, including guests of Regular members, must be escorted at all times by someone with a ramp badge

while on the ramp. The President or Membership Coordinator will assist all new members in getting this badge. If a Regular Member is unable to get an access badge because of his/her background, they will be expelled from the Club as outlined in these Bylaws. All regular members will be given a key to the aircraft they are approved to fly or have access to the keys of the aircraft by a means of access to be determined by the Board of Directors.

ARTICLE XI – FLIGHT INSTRUCTION

The Authority's flying club rules list several restrictions on flight instruction that members shall abide by. First, compensated flight instruction may only be given by Authority approved flight instructors. The Club's Aircraft Use Rules has a list of Airport Authority approved flight instructors. Members can receive instruction from other members who are CFI's, but cannot compensate that member in any way for that service unless they are on this list. Any agreement for flight instruction will be solely between the member and the instructor and such agreement will not involve the Club and thus the Club will be in no way liable for such agreements. The Club will not compensate any CFI, directly or through reduced dues, fees, or rents. Additionally, the only people allowed to receive instruction in Club aircraft are Club members.

ARTICLE XII – MEMBER'S PERSONAL INFORMATION

The Club must collect personal information from its members for purposes of obtaining insurance and as required by the IRS and the Airport Authority. The Club will also post name, phone number, and e-mail address on a password protected file on the website for purposes of advancing the social interactions between members. The Club will collect only the information that is required for these above purposes and will only release it as required for these above purposes.

ARTICLE XIII – BYLAWS

Section 1 - Adoption: These Bylaws will become effective immediately upon approval by the Club membership. Adoption will take place upon an affirmative two-thirds (2/3) vote of the membership present. These bylaws do not absolve, in any way, a member's Pilot in Command responsibilities or their responsibility to follow all FAA, Federal, State, Local, or Airport Authority laws and regulations.

Section 2 - Amendments to Bylaws: Amendments to these Bylaws may be proposed by the President, the Board of Directors, or by a petition addressed to the Secretary and signed by twenty (20%) percent of the membership in good standing. Amendments must be in compliance with applicable federal, state and local laws and regulations as well as consistent with the purposes identified above and consistent with the Club's tax-exempt status. Once an amendment is properly proposed, the Board of Directors will provide an opportunity, within three (3) months of the proposal, for all members to attend a meeting at which a vote will be held on the amendments. A two-thirds (2/3) affirmative vote of the members present is required to adopt the proposed amendment and an announcement of the acceptance or rejection of the amendment will be e-mailed to all members. If adopted, the amendment shall be effective immediately. The President or Board or Directors may appoint a committee to develop the proposed amendments. Additional procedures for handling amendments are outlined in the "Directions for Managers" document.

Section 3 – Revision of Bylaws: If changes are deemed by the Board of Directors to be significant enough to warrant a complete revision of the Bylaws, the Board of Directors will follow the procedure outlined in the “Directions for Managers” document. 4/5th approval by all Members will required for the revised Bylaws to be accepted. Each member must then sign their acceptance of the Bylaws. Anyone refusing to sign the revised Bylaws agrees to be expelled from the Club as provided in the Bylaws.

ARTICLE XIV - DISSOLUTION AND
TERMINATION

The Club shall be dissolved upon the first to occur of the following:

- A) Any event which, under the Articles, requires dissolution of the Club.
- B) A two-thirds (2/3rds) written consent of the Members to the dissolution of the Club.
- C) The entry of a decree of judicial dissolution of the Club as provided in the Act.
- D) Any event not set forth above which under the Act requires dissolution of the Club.

Upon the dissolution of the Club, it shall wind up its affairs, sell any Club owned equipment, purchase back all Associate Memberships, and distribute its assets as follows, in the following order, after the payment of all Club liabilities and obligations:

- A) Lessor – Any Lessor will receive any Engine/prop Overhaul reserves and Minor Maintenance reserves for their aircraft.
- B) Regular Plus Members – If the Club owns any aircraft and has any Regular Plus Members, then these Members will receive 10% of the sold value (minus any costs associated with the sale and any loan repayment) of the aircraft and 10% of any maintenance and engine overhaul reserve amounts for that aircraft minus any outstanding dues, fees, or fines of that member.
- C) All Regular Members – Regular Members will receive a pro rata share (minus any outstanding dues, fees, or fines of that member) of the remaining assets of the Club.

A reasonable time as determined by the Board of Directors not to exceed twelve (12) months shall be allowed for the orderly liquidation of the assets of the Club and the discharge of liabilities to the creditors so as to minimize any losses attendant upon dissolution. Upon liquidation of all assets and discharge of all liabilities, the Club has thirty (30) to distribute the determine amounts to each member.

The undersigned members agree to these Bylaws, numbering 20 pages, including 2 appendices, on this _10th___ day of May, 2013.

Mike Vanderweide

James Stadelmaier

Michael Holroyd

APPENDIX A: LIST OF MEMBERS – As of 2/22/16

List of Board Equity Members

Name/Position	Address	Phone	e-mail
Michael Vanderweide/ President and Maintenance Officer	4354 Chris Greene Lake Rd, Charlottesville, VA 22911	434-249-0307	vanderwd3@netscape.net
David Duncan / Vice President	519 Tyree Lane Charlottesville, VA 22901	434-996-9974	dld8q@virginia.edu
Brian Kester / Treasurer	1700 Monet Hill, Charlottesville VA 22911	434-202-0854	gbkester@gmail.com
Michael Holroyd/ Secretary	2638 Jefferson Park Cir Charlottesville, VA 22903	757-944-1132	meekohi@gmail.com
Geoff Geise/ Maintenance Officer	602 Ranier Rd, Charlottesville, VA 22903	717-385-4336	geoffgeise@gmail.com
Thomas Dolan/ Safety Officer	3155 Dundee Rd, Earlysville, VA 22936	631-495-2947	tomasedolan@gmail.com

List of Non-Board Equity Members

Name	Address	Phone	e-mail
Nathan Richards	80 Pin Oak Ct, Barboursville, VA, 22923	434-604-0751	richards@barron-associates.com
Courtney Slafter	640 John Carlyle St, Apt 342, Alexandria VA 22314	252-504-1150	ceslafter@gmail.com
William Sowa	433 Lake Dr, Ruckersville, VA 22968	434-985-2595	deslasowa@yahoo.com
Steven Ham	3218 Wallingford Lane, Keswick VA 22947	434-466-9820	steven_ham@comcast.net
Gavin Logan	1000 City Walk Way, Apt302 Charlottesville, VA 22902	805-216-4215	gklogan@gmail.com
John Morgan	977 Seminole Trail, Charlottesville VA 22901	254-368-4782	morganjohn24@gmail.com
Luke Macfarlan	2695 Earlysville Rd, Earlysville VA 22936	703-501-8909	davlucmac@me.com
Hank Trautman	3243 Darby Rd, Keswick VA 22947	434-202-7606	Hat3rd@comcast.net

APPENDIX B: PUBLISHED RATES – As of 2/22/16

Membership Contribution:

Associate Members – \$30, may be sold back to the Club as provided in the Bylaws
Regular Member - \$500, may be transferred or sold back to the Club as provided in the Bylaws
Regular Plus Members – \$6,500.

Loan Principle Contribution (applicable if the club owns an aircraft):

Associate Members and Regular Plus Members: None
Regular Basic Members: \$25/month (may be temporarily waived for financial hardship)

Annual Dues:

Associate Members - \$45
Regular Members - \$1064.16 (\$88.68/month)

Loan Interest Fee:

Associate Members and Regular Plus Members: None
Regular Basic Members: 4.5% of contribution below \$6,500

Discount For Simplified Annual Dues Payments:

Regular Members who pay annual dues in one lump sum will receive a discount that year of: \$10
Regular Members who pay annual dues in two lump sums will receive a discount that year of: \$5

Fuel Assessment:

Not currently assessed because all Club owned/leased aircraft currently are rented “dry”.

High Use Assessment:

Not applicable at this time but may be implemented if scheduling becomes a problem.

Failure to Participate Fee:

None at this time, but the Board of Directors may assign this fee at any time they deem it necessary.

Monthly High Performance Assessment:

Associate Members – None, Associate Members have no solo access to high-performance aircraft.
Regular Members – None

Additional Assessments: As determined and scheduled by the Board of Directors.

Hourly Aircraft Use Fee:

May be changed by the Board of Directors on the first of each month in order to ensure solvency of the club and will be published on the Club’s website.

Amendment 1 – Approved by Member vote June 22nd, 2015

Change Article V, Section 8 to the following:

Section 8 – Withdrawing from the Club: An Associate Member may withdraw at any time. A Regular Member may withdraw from the Club upon notification to the Secretary in writing ninety (90) days in advance. Once the notification has been given, the withdrawal process can only be stopped with approval from the Board of Directors. This advance notification may be waived by the Board of Directors on a case-by-case basis, such as if the member demonstrates a financial hardship or a replacement member has been identified. The departing member is responsible for all dues, fees, and penalties that incur up to the date that their membership is terminated. To withdraw the departing member can either sell their Membership to a new member, if allowed in Section 12 of this Article, or to the Club as outlined in Section 11 of this Article. If a member withdraws prior to the end of their paid-for monthly dues period, refund of monthly dues can only be approved by the Board of Directors.

Add the below to make Article V Section 13:

Section 13 - Suspension of a Membership: A Regular Member may request from the Board to temporarily suspend their membership due to extraordinary circumstances. When a member requests a suspension and the Board approves it, the club will retain the member's principal contribution during the suspension period and the club will not charge the member monthly dues. Regular Basic members will be required to continue to pay principal and loan fees during the suspension. Suspensions must be at least 6 months and less than 18 months in duration. The Board has the sole discretion to approve or disapprove a Member requested suspension of membership.

Amendment 2 – Approved by Member vote Feb 22nd, 2016

Replace Article V Section 8 with the following, to remove the hard requirement that Regular Plus members must find a Regular Plus replacement (they can instead use the new departure queue):

Section 8 – Withdrawing from the Club: An Associate Member may withdraw at any time. A Regular Member may withdraw from the Club upon notification to the Secretary in writing ninety (90) days in advance. Once the notification has been given, the withdrawal process can only be stopped with approval from the Board of Directors. This advance notification may be waived by the Board of Directors if the member proves a financial hardship and/or a replacement member has been identified. The departing member is responsible for all dues, fees, and penalties that incur up to the date that their membership is terminated. To withdraw the departing member can either sell their Membership to a new member, if allowed in Section 12 of this Article, or to the Club as outlined in Section 11 of this Article. If a member withdraws prior to the end of their paid-for monthly dues period, refund of monthly dues can only be approved by the Board of Directors and only based on demonstrated financial hardship.

Replace Article V Section 11 with the following to create a "departure queue" for members who leave without a replacement:

Section 11 – Club Purchase of Memberships: The Club has the right to buy back any Associate Membership at any time at the rate paid by the Member. The Club has the right to buy back a Regular Member's Membership from a withdrawing, expelled, or deceased member at any point. For Regular Memberships, the Club will pay the amount of contributions (membership + any loan principal contributions) the member has made plus the member's pro-rata share of the Club's Board of Director determined "value" on this buy-back date, minus any monies, dues, fees or penalties owing to the Club. The Club's "value" will be determined by the Board of Directors by making a reasonable effort to calculate all assets and subtract all liabilities. Assets will include among other things any Club owned aircraft valued at the AOPA VREF value and reserve accounts associated with Club owned aircraft. Liabilities will include among other things any maintenance/engine reserve funds on leased aircraft, outstanding loan amounts, and the value of all membership and loan principal contributions of members. The member is responsible for all gains taxes from this sale. If this share of Club value is a negative amount, it will be subtracted from the amount of contributions in determining the amount the Club is purchasing back the membership for, and the departing member will be placed in a first-in-first-out Departure Queue awaiting a new Regular Member to join the Club. Departing members who are in the Departure Queue have withdrawn from the Club and have none of the right or responsibilities associated with their previous membership. When a new member joins the Club by purchasing a Membership from the Club (as opposed to purchasing directly from another member, see Section 12), the next person in the departure queue will be paid back the remaining portion of their contributions which were withheld due to a negative club value.

Replace Article V Section 12 with the following to formally allow "swapping" a membership with an incoming member by selling the membership, but only with approval from the Board of Directors:

Section 12 – Selling Club Memberships to a New Member: Associate Members may only sell their

membership back to the Club (see Section 11). A Regular Member who is withdrawing from the Club (see Section 8) and in good standing may sell their membership to a new Regular Member upon receiving approval from the Board of Directors. The withdrawing member is still responsible for all monies, dues, fees or penalties owing to the Club and the Board may require payment of any owed money as a condition of selling the membership.