

# Chesapeake Sport Pilot Flying Club, Inc.

## By-Laws

The Chesapeake Sport Pilot Flying Club, Inc., subsequently referred to as “the Club”, is a not-for-profit non-stock corporation with equity owned equally by all its members.

### **ARTICLE I – PURPOSES**

#### **Section 1. The purposes of the Club shall be:**

1. To encourage social interactions between the members.
2. To acquire, own, hold, lease, sell, pledge, mortgage, or otherwise dispose of any property, real or personal, necessary to the operation of the Club.
3. To promote and encourage flying by its members and to lower flying costs for them.
4. To promote club training programs for its members in order to enable them to maintain their flying proficiency and increase safety.
5. To own and maintain one or more aircraft for the use of members of the Club.
6. To encourage people to become interested in flying.
7. To acquire, preserve, and distribute educational material of value to its members.

### **ARTICLE II – MEETINGS OF MEMBERS**

#### **Section 1. Place of Meetings.**

All meetings of the members, except as herein otherwise provided, shall be held at a time and place to be determined by the President with the approval of the Board of Trustees.

#### **Section 2. Meetings.**

The Club will hold regular monthly meetings. The Annual Meeting of the Club shall be held at the July regular meeting. At such meeting, the members shall elect a Board of Directors as constituted by these By-Laws, and transact such other business as may come before the meeting.

#### **Section 3. Special Meetings.**

Special meetings of the members may be held at such time and place as the President may determine, or as may be called by a majority of the Board of Directors or by written petition of 20 percent or more of the total members of the Club in good standing.

#### **Section 4. Notice of Meetings.**

Regular monthly meetings of the Club may be held without notice once the time and place for such meetings has been established by the Board of Directors by giving the same notice as required for a special meeting. If the time or place for regularly scheduled meetings shall change, the same notice as for a special meeting shall be given to Club members. Written notice of any special meeting shall be given, either personally or by mail, to each member entitled to vote at the meeting at his last known place of business or residence at least 10 but not more than 60 days before the date of the special meeting.

### **Section 5. Quorum.**

At any meeting of the members, a quorum shall consist of the lesser of one-third of the members in good standing or 10 members.

### **Section 6. Conduct of Meetings.**

The President, or in his absence, the Vice-President, or in the absence of the President and Vice-President, the Secretary, or in the absence of the President and Vice-President and Secretary, the Treasurer, shall call the meeting of the members to order and shall act as the presiding officer thereof.

### **Section 7. Voting.**

At every meeting of the members, each member in good standing shall have one vote. Unless otherwise required by law or the Certificate of Incorporation of the Club or specified by these By-Laws, a majority vote of the members present and voting is necessary for any action. Such votes may be cast in person or by proxy; provided, however, that a proxy shall be valid only for the meeting and action to be considered at such meeting for which such proxy is given as specified thereon. The Board of Directors, in its discretion, or the officer of the Club presiding at any meeting of the Club, in his or her discretion, may require, and any member shall have the right to require, in any vote for election of Directors, that any votes cast at such meeting shall be cast by written ballot provided such demand is made prior to the commencement of the meeting at which such vote is to be taken.

## **ARTICLE III – DIRECTORS**

### **Section 1. Authority.**

The business, property and activities of the Club shall be exercised, conducted and controlled in conformity with these By-Laws by a Board of Directors. The Board of Directors shall have the power and authority to promulgate and enforce rules and regulations pertaining to the use and operation of Club aircraft and to do and perform, or cause to be done and performed, any and every act which the Club may lawfully do and perform.

### **Section 2. Number and Election.**

The Board of Trustees shall consist of the President, Vice-President, Secretary and Treasurer of the Club and three (3) additional Directors. An Aircraft Maintenance Officer and Safety Officer for the Club shall be appointed by the Board of Directors either from its own membership or from the membership at large, who shall be a non-voting, ex officio member of the Board of Directors.

Except as provided in elsewhere in these by-laws, each officer and Director shall be elected annually at the Annual Meeting of the members, from the membership of the Club, shall be installed at the Annual Meeting, and shall serve until the next Annual Meeting and until his successor is elected and installed, or until his/her resignation or removal. Any Officer or Director may resign at any time upon written notice to the Club.

### **Section 3. Vacancies.**

In case of a vacancy on the Board, the remaining Trustees shall fill such vacancy by appointment from the Club membership; provided, however, that if three or more vacancies exist at any one time, they shall be filled by vote of the members of the Club at a meeting of the Club.

Directors so chosen shall hold office until the next Annual Meeting and until their successors are duly elected and installed, or until their earlier resignation or removal.

### **Section 4. Meetings.**

Regular meetings of the Board of Directors are held at such time and at such place as may from time to time be determined by the President. Special meetings of the Board of Directors may be called at any time and place on the order of the President or on the order of any two other Directors. Notice of a special meeting of the Board of Directors stating the time and place and, in general terms, the purpose of the meeting shall be given, if by mail, at least three days before, or if in person or by telephone or by email, not later than the day before, the day appointed for the meeting. If all Directors shall be present at any meeting any business may be transacted without previous notice unless a Director prior to the conclusion of the meeting protests the lack of notice of the meeting. Special meetings of the Board of Directors may be held at the time of, or immediately following, a membership meeting.

### **Section 5. Quorum.**

Three (3) Directors shall constitute a quorum of the Board of Directors for the transaction of business at all meetings and the affirmative vote of a majority of Directors present at any meeting at which there is a quorum shall be an act of the Board of Directors.

### **Section 6. Actions of Board.**

Unless otherwise provided by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

### **Section 7. Record of Proceedings.**

The Board of Directors shall cause to be kept a complete record of all its acts and proceedings of its meetings and present a full statement at the regular meetings of the members.

### **Section 8. Committees.**

The Board of Directors may designate one or more committees, each committee to consist of one or more of the Directors of the Club. Any committee, to the extent allowed by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Club. Each committee shall keep regular minutes and report to the Board of Directors when required. The Board of Directors or the President may also establish Club committees which may contain members who are not members of the Board of Directors provided that such committees do not exercise powers that are those of the Board of Directors alone.

## **ARTICLE IV – OFFICERS**

### **Section 1. General.**

The officers of the Club to be elected by the members of the Club at the Annual Meeting shall be a President, a Vice President, a Secretary and a Treasurer. Each officer of the Club elected at an Annual Meeting shall hold office until the next Annual Meeting and until his or her successor is duly elected and installed, or until earlier resignation or removal. Any officer elected by the Club members may only be removed, with or without cause, by the affirmative vote of a majority of the members of the Club in good standing, but the authority of an officer to act as such may be suspended by the Board of Directors for cause. Any vacancy occurring in any office of the Club shall be filled by the Board of Directors. Any officer may resign with written notice at any time.

### **Section 2. President.**

The President shall be the Chief Executive Officer of the Club and shall preside at all meetings of the Club and the Board of Directors. The President shall have general supervision of the business and activities of the Club and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall execute with the Secretary in the name of the Club all contracts and other instruments of the Club which have been first approved by the Board of Directors, provided that the other officers of the Club may sign and execute documents when so authorized by these By-Laws, the Board of Directors or the President. The President shall be responsible to the Board of Directors for the operation of the Club. Unless otherwise directed by the Board, the President shall make and enforce decisions regarding the suitability of all equipment and operation and he shall recommend for approval to the Board of Directors all operational rules of the Club and report with recommendations all violations of such rules by any member of the Club. The President shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these By-Laws or by the Board of Directors.

### **Section 3. Vice President.**

At the request of the President or in his or her absence or in the event of his or her inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice-President shall perform such other duties and have such other powers as the Board of Directors from time to time may prescribe.

### **Section 4. Secretary.**

The Secretary shall attend all general meetings and meetings of the Board of Directors and shall perform all duties incident to the office of the Secretary, subject to the control of the Board of Directors. The Secretary shall keep a proper membership book showing the name and address of each member of the Club, the By-Laws of the Club, the Club seal, and such other books and papers that the Board of Directors may direct and shall see that all books, reports, statements, certificates and other documents or records required by law to be kept or filed are properly kept or filed, as the case may be. The Secretary shall execute, with the President, in the name of the Club, all documents and instruments which have been first approved by the Board of Directors.

The Secretary, in case of the absence, disability or unwillingness to serve of the President and Vice-President, shall be vested with all the powers and shall perform the duties of the President.

**Section 5. Treasurer.**

The Treasurer shall have the custody of the Club's funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Club and shall deposit all moneys and other valuable effects in the name and to the credit of the Club in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Club as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the President or Board of Directors so requires, an account of all transactions made as Treasurer and of the financial condition of the Club. The Treasurer shall perform all other duties incident to the office of the Treasurer, subject to the control of the Board of Directors.

**Section 6. Aircraft Maintenance Officer.**

The Aircraft Maintenance Officer shall be responsible for all papers required to be carried in Club aircraft, including the maintenance of current information in the logbooks of each Club aircraft and for the execution of all papers required upon the completion of inspections and major repairs. The Aircraft Maintenance Officer also shall be responsible for maintaining Club aircraft in proper operating condition, by or under the supervision of a properly certificated aircraft and engine mechanic, and for obtaining all checks, inspections, major overhauls and compliance with all service bulletins for such aircraft.

**Section 7. Safety Officer.**

The Safety Officer shall establish regular and special meetings of the Safety Board as defined in Article V, and chair all such meetings. The Safety Officer shall ensure that a flight safety briefing is presented at each meeting of the Club.

**Section 8. Other Officers.**

The Club may have such other officers, including one or more Chief Pilots, Scheduling Officers and Outreach/Social Events officers, as the Board of Directors may choose, who shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to the President of the Club the power to choose such other officers and to prescribe their respective duties and powers.

**ARTICLE V – SAFETY BOARD; INCIDENTS AND ACCIDENTS**

**Section 1. Composition; Duties.**

The Safety Board shall consist of the Safety Officer and two other Club members appointed by the President each January who shall serve for the term of one year and until their successors are appointed or until their earlier removal or resignation. The Safety Board shall have the responsibility for promoting flying safety and related subjects and shall investigate promptly each aircraft incident or accident involving either a member of the Club or any equipment belonging to the Club. If one or more members of the Safety Board are involved in an incident or

accident, an alternate or alternates shall be appointed by the President to investigate the incident or accident.

### **Section 2. Club Grounding.**

The President and any one member of the Safety Board together may ground any member from flying any Club aircraft following any incident or accident until the Safety Board has completed its investigation and report and the Board of Directors has acted thereon.

### **Section 3. Club Investigations and Reports.**

The Safety Board shall take all steps necessary to ascertain the facts, conditions, and circumstances of the incident or accident, shall determine the probable cause and the responsibility for said accident and shall deliver to the Board of Directors and to all members involved in the accident its findings in the form of a written report.

### **Section 4. Hearing; Determination.**

The Board of Directors, upon receipt of the findings of the Safety Board, shall offer to the member(s) involved in the incident or accident the opportunity of a prompt hearing. After the hearing, or if such hearing is waived by all members involved in the incident or accident, the Board of Directors shall determine what action, if any, shall be taken against the members involved, which may include one or more of the following: (i) removal from the Club, (ii) completion of a specified training program and/or check ride, (iii) assessment for damages sustained by Club aircraft or to other property as provided in Section 5 below.

### **Section 5. Financial Responsibility.**

In the event of an accident or incident for which any member is deemed responsible for damage to Club aircraft or other property, the member's liability shall be limited to the deductible amount under the insurance policy for such aircraft and such member shall be responsible for the return of the aircraft to its home base; provided, however, if the accident or incident occurs as a result of violation of Club operating rules or procedures or the Federal Aviation Regulations, the member may then be assessed the full costs to the Club from such accident or incident. All financial obligations imposed on any member as a result of the decision of the Board of Directors shall be due within 30 days of written notice thereof.

## **ARTICLE VI – MEMBERSHIP AND CHARGES**

### **Section 1. Application and Entry.**

All prospective members of the Club shall first be interviewed by the Board of Directors to determine their flying qualifications and compatibility with the other members of the Club before being presented, with a recommendation from the Board of Directors, to the members of the Club for a vote on their admission. A prospective member will be admitted to the Club by a vote of 60% or more of voting members. Notwithstanding the foregoing, the Board of Directors may determine to limit the number of members in the Club in order to ensure proper availability of Club aircraft to present Club members.

## **Section 2. Equity.**

A person duly elected to the Club as hereinbefore stated shall become a Club member only upon payment of the initial membership amount (“equity”) currently required for membership as determined from time to time by the Board of Directors. Upon withdrawal from Club membership, a member shall receive only that amount of equity that he/she has contributed to the Club.

## **Section 3. Probation Period.**

Notwithstanding Section 5 below, during the 180 days of Club membership, each new member shall be subject to removal by the Board of Directors for just cause.

## **Section 4. Withdrawal.**

A member wishing to withdraw from the Club shall notify the Secretary of such intention and such withdrawal shall be effective upon the Club’s return of the member’s equity in the Club to such member, which shall occur within thirty (30) days of the payment of equity to the Club by a new prospective member who is accepted for membership in the Club. Until such time that equity is returned, members shall enjoy all rights, privileges, and obligations of membership; including, but not limited to, payment of monthly dues and assessments. Notwithstanding the foregoing, the Board of Directors, in its sole discretion, in extraordinary circumstances, may return a withdrawing member’s equity in the Club prior to there being a replacement for the withdrawing member if such return of equity does not jeopardize the financial condition of the Club. Requests for withdrawal from the Club will be acted on in the order submitted to the Secretary; provided, however, that a member providing a replacement member shall have precedent over those seeking withdrawal who are not so providing a replacement.

## **Section 5. Expulsion.**

A member may be expelled by a majority vote of the members present at any regular or special meeting of the members, provided notice of intention to seek such expulsion is given in writing to all members at least 10 days before such meeting. The member affected shall have the right to be heard either in person or by counsel. A member dropped or expelled from membership shall nevertheless be obligated to the Club for any sums owed, and these may be collected by suit in any court of proper jurisdiction. Such member’s equity shall be credited to him, and if in excess of any obligations owed the Club, the balance shall be paid in accordance with the provisions of Section 2 hereof.

## **Section 6. Charges.**

Each member shall be assessed monthly fixed charges in an amount to be fixed by the Board of Directors which shall also fix charges for flying time. Fixed charges and charges for flying time shall be payable within 15 days after billing. Any member, who has failed to pay any sums due the Club within 60 days after said sums shall be due, may be suspended from flying Club aircraft by the Club Treasurer and shall be considered a member not in good standing while such suspension is in effect. If a member fails to pay any sum owed to the Club within 60 days after the date due, a finance charge of 1.5% per month will be assessed. In addition, the board may



drop the member from membership and his equity disposed of in accordance with Section 2 and 5 hereof. The Board of Directors may elect to waive the finance charge in a particular case.

**Section 7. Operating Rules and Regulations.**

Each member shall comply with such operating rules and regulations as are established from time to time by the Board of Directors which shall govern the use of Club aircraft.

**Section 8. Social Members.**

Social members may attend Club meetings but shall have no vote and shall not be allowed to be pilot in command of Club aircraft. The Board may assess a fee for this class of membership.

**Section 9. Number of Members.**

The Board of Directors will set ratio of members to aircraft in order to balance scheduling availability and cost to the members.

**ARTICLE VII – FINANCIAL MATTERS**

**Section 1. Surplus.**

Any surplus funds remaining after payment of all liabilities and obligations of the Club shall be used for Club purposes as determined by the Board of Directors and shall not be distributed to Club members.

**Section 2. Compensation.**

Unless specifically approved by the Board of Directors, no Club member or entity affiliated with a Club member shall receive any compensation from the Club for services rendered to the Club.

**Section 3. Fiscal Year.**

The Club fiscal year is January 1 through December 31.

**ARTICLE VIII – NON DISCRIMINATION**

**Section 1. Non Discrimination.**

The Club shall not discriminate against any person or group of persons on the basis of race, disability, creed, sex, religion, sexual orientation or age in the requirements for membership, its policies, or actions.

**ARTICLE IX – AMENDMENTS**

**Section 1. Repeal, Alteration, etc.**

These By-laws may be repealed, altered or amended, in whole or in part, or new By-Laws adopted by a majority vote of all members.



## **ARTICLE X – DISSOLUTION**

### **Section 1. Distribution**

In the event of the dissolution of this corporation, or in the event it shall cease to carry out the objects and purposes herein set forth, all the business, property, and assets of the corporation shall go and be distributed:

- (a) first, to general creditors of the Club, including those holding long term loans to the Club which will be paid back with interest to date;
- (b) second, to Club members in equal proportion up to their member equity less any outstanding charges owed the club.
- (c) last, to such non-profit charitable corporation, municipal corporation, or corporations, as may be selected by the board of directors of this corporation so that the business properties and assets of this corporation shall then be used for, and devoted to, the purposes of carrying on nonprofit aviation, and aviation safety and education. In no way shall any of the assets or property of this corporation, or the proceeds of any of the assets or property, in the event of dissolution, go or be distributed to members (except as stated in (b) above), either for the reimbursement of any sums subscribed, donated, or contributed by such members, or for any other such purpose.

Established on 6/23/2015 by vote of all founding members.