
Octopus Flying Club, Inc.

Bylaws

Incorporated September 27, 1962

With Amendments through November 18, 2008

ARTICLE I – Purpose

1. The purpose of this Club shall be to provide for its members convenient means for private flying.

ARTICLE II – Meetings of the Members

1. The annual meeting of the Club shall be held during the month of September at such time as the Board of Directors shall determine.
2. Regular meetings of the members shall be held on a date selected by the President.
3. Written notice of meetings of the members shall be mailed to each member at his/her last known place of business or residence at least ten (10) days before such meetings.
4. A special meeting of the members must be called by the President to be held within ten (10) days after submission to the Secretary, or to any member of the Board of Directors, of a written request therefore, stating the purpose of the meeting, signed by at least five (5) members, unless a regular meeting of the members will occur within the ten (10) day period. The notice of the special meeting of the members shall state the business to be transacted, and no business not necessary to the announced purpose of the special meeting shall be transacted. Notice of special meeting of members, stating the time and general purpose thereof, shall be given in a like manner as the notice required for regular or annual meetings.
5. At any meeting of the members, a quorum shall consist of five (5) members (either present or represented by proxy in writing) who are in good standing. Only those members whose current financial obligations to the Club are satisfied (no dues, payments or other responsibilities in arrears) shall be considered “members in good standing”.
6. The President, or in his/her absence, the Vice President or in the absence of the President and Vice President, a Chairperson appointed by the President, shall call the meeting of the members to order and shall act as the presiding officer thereof.
7. At any meeting of the members, each member shall have only one (1) vote. Written proxies only shall be accepted.
8. A majority vote of the members present is necessary for the adoption of any resolution and for the election of a member to the Board of Directors.

ARTICLE III – Directors and Officers

1. The Board of Directors of the Club shall be elected at the Annual Meeting for a term of one (1) year to begin on the first day of the following month after the Annual Meeting. The Board of Directors shall consist of no fewer than three (3) and no more than seven (7) members. The Board, from among its members shall elect individuals to serve in the following offices: President, Vice President, Secretary, Treasurer, and a Chief Maintenance Officer. An individual may serve in up to two capacities. There may be Board members who do not hold a named office (up to four (4) such at-large Board members).
2. The President, Vice President, Secretary, Treasurer, and Chief Maintenance Officer shall be elected at the first Board of Directors meeting after the regular annual meeting of the members, and shall hold office for twenty-four (24) months and until their successors are elected and qualified.
3. The power, business and property of the Club shall be exercised, conducted and controlled by the Board of Directors, provided, however, that the approval of the members shall be required to purchase, lease or sell a Club aircraft.
4. In case the number of Board members drops below three (3), the remaining Directors shall appoint new Board member(s) from the Club membership.
5. Meetings of the Board of Directors can be called by any Director at a time and place to be determined by such Director.
6. Notice of meeting of the Board of Directors stating the time, place, and, in general terms, the purpose, shall be mailed or given to each Director by personal contact, not later than three (3) days prior to the day appointed for the meeting. If all Directors are present at any meeting, any business may be transacted without previous notice.
7. Three (3) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least a majority of Directors present in a meeting shall be necessary to pass any resolution or authorize any act of the Club.
8. The Board of Directors shall cause to be kept a complete record of its acts and proceedings of its meetings and present a full statement at the regular meeting of the members, showing in detail the conditions of the affairs of the Club.
9. The Board of Directors may assign to any member any duty or office which the Board deems appropriate and necessary to the conduct of the Club and which is not otherwise expressly provided for in these bylaws.
10. The Board of Directors may engage salaried personnel from outside the Club membership to perform such services on behalf of the Club as the Board deems appropriate and necessary.
11. 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.
12. Directors may participate in a meeting via a conference call or other means whereby the Directors may communicate with each other.
13. Any action taken by the Board of Directors may be approved in writing by unanimous written consent of all Directors in lieu of a meeting.

ARTICLE IV – Membership

1. The number of members in the Club shall not exceed sixteen (16) for the first aircraft and shall not exceed an additional sixteen (16) members for each subsequent aircraft owned or leased by the Club.
2. A new member shall be admitted to the Club only upon being approved by a majority vote of the Board of Directors.
3. Each new member shall receive, upon his/her admission, a set of keys for those aircraft which

he/she is allowed to fly.

4. If the number of members is at or below the minimum as established in the Club's Operating Procedures, a member may withdraw from the Club in one of four (4) ways:

a: A member may transfer his/her share in the Club to a new member acceptable to the Board of Directors as provided for in Paragraph 3 of this Article. The new member shall make payment for his/her share to the Club. Such a transfer of membership shall take place within thirty (30) days from receipt of written notice to the Secretary of the request for this action. The Club shall return to the withdrawing member the full price of his/her share.

b: Any member's share shall be purchased by the Club within six (6) months after it has been offered, in writing, to the Board of Directors at a value of seventy-five percent (75%) of the original purchase price, provided that no more than five (5) such memberships are owned by the Club at any time.

c: A withdrawing member may request in writing to the Board of Directors that the Club purchase his/her share within thirty (30) days. Upon receipt of such a request, the Club shall purchase his/her share for twenty-five percent (25%) of the current share purchase price, provided that the Club does not already own such a membership.

d: A withdrawing member may notify the Board of Directors, in writing, of his/her intention to withdraw, it being his/her intention to continue association with the Club until an application for membership, other than one received under the provisions of Section 4(a), is received and approved by the Board of Directors. If an offer to purchase a membership under the provisions of Sections 4(b) or (c) is pending, then an application for membership, not received under the provisions of Section 4(a) shall be used, following approval, to satisfy the obligation of the Club to purchase said membership.

5. Any application received, except one received under the provisions of Section 4(a), shall be first applied to any membership held by the Club, with priority being given to a membership purchased by the Club under Section 4(c).

6. A withdrawing regular member may sell his/her membership, as provided in Section 4(a) or 4(d) of this Article, to a prospective student member if the number of student members then registered in the Club is less than that prescribed by the Club Operating Procedures. The new member shall make payment for his/her share to the Club. Such a transfer of membership shall take place within thirty (30) days from the receipt of written notice to the Secretary of the request for this action. The Club shall return to the withdrawing member the full price of his/her share.

7. A member may be expelled by a two-thirds vote of the members in good standing voting at any regular or special meeting of the members. However, at least ten (10) days prior to such meeting, written notice thereof must have been given to any member subject to this procedure who shall have the right to be heard, either in person or by counsel, but he/she shall not have the right to vote on the motion to expel at the meeting at which his/her expulsion shall be considered. A member so expelled may dispose of his/her share ownership as provided for in Section 4 of this Article, provided the sale is completed and the Club paid all moneys due it within thirty (30) days from the time a notice of expulsion is mailed to him. Upon his/her failure to do so, his/her membership shall be forfeited.

8. No action may be taken by the membership-at-large on the status of an individual's membership without the recommendation of the Board of Directors. In addition, such action may not be taken before the next regularly scheduled meeting of the membership or before a special meeting called for that purpose.

ARTICLE V – Dues and Payments

1. Initiation Fees. A person duly elected to the Club as provided for by these bylaws shall be deemed a member upon payment of an initial membership fee, as prescribed in the Club's Operating Procedures.
2. Dues. Each member shall be assessed monthly dues. The monthly dues may be changed from time to time at the discretion of the Board of Directors. The Club's fixed operating expenses shall be covered by the members' monthly dues. Therefore, the monthly dues amount shall be based upon the Club's minimum number of members, as prescribed in the Club's Operating Procedures.
3. Hourly Aircraft Charges. The hourly aircraft rates will be made available to all members. Members will be billed on the first day of each month for their accumulated hours for the previous month. The hourly aircraft rate may be changed from time to time at the discretion of the Board of Directors.
4. Delinquency. Any member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the Club by the date specified, as shown on a statement rendered to the member, shall incur a late charge as specified in the Club's Operating Procedures. The penalty shall be assessed for each billing period or portion thereof that the statement remains unpaid. Any member failing to pay to the Club any sums due it, and failing to make arrangements acceptable to the Board of Directors by the statement due date shall be considered a delinquent member and shall be automatically suspended from flying the Club aircraft and engaging in any other Club activity. When a delinquent member fails to pay any sum owed to the Club, or at the discretion of the Board of Directors, to make suitable arrangements with the Board for payment thereof within thirty (30) days of the due date, the member shall automatically be considered as indicating an intention to withdraw from the Club.
5. Withdrawal or Expulsion. Any member proposing to withdraw, or being expelled from the Club shall continue to be liable to the Club for any debts or obligations, including dues, minimum flight fees and late fees, which may accrue until his/her membership has terminated. The Club shall, in all cases, be entitled to deduct from the money owed a withdrawing member from the sale of his/her membership any amount due and owed the club by the withdrawing member and shall thereafter pay the balance to the withdrawing member.

ARTICLE VI – Scheduling

1. Each member shall be entitled to reserve an aircraft in accordance with Club Operating Procedures.
2. The Club shall have the authority to impose restrictions on the amount of time a member may reserve an aircraft in advance in his/her name, according to current demand on aircraft usage. Such restrictions shall be determined by the Board of Directors. Schedule restrictions shall be defined in the Club's Operating Procedures.
3. Penalties may be imposed on members for late cancellation of reservations as defined in the Club's Operating Procedures.

ARTICLE VII – Authorization for Repairs

1. No member may authorize expenditures or otherwise incur financial obligations in the name of the Club except as expressly provided for in these bylaws or other regulations duly promulgated by the Club membership. Individual members will be reimbursed for any personal expenditures not in excess of one hundred (\$100.00) dollars when such expenditures are for club aircraft repairs or maintenance necessary to safely complete a flight. In the event that a repair must be made which

exceeds one hundred (\$100.00) dollars and which cannot be scheduled (and later handled by) the designated officer, the Club member must first obtain authorization from either 1.) the Club Chief Maintenance Officer, 2.) the Aircraft Maintenance Officer, 3.) the Club President or 4.) a designee of one of the above individuals. Any repair not pre-authorized by one of the above-named persons, and which incurs expenses exceeding one hundred dollars (\$100.00) shall be the personal financial responsibility of the member authorizing the expense, unless the Club's Board of Directors agrees that the Club shall cover the expense.

ARTICLE VIII – Damage

1. A Safety Board shall be designated by the Board of Directors for each aircraft accident involving either a member of the Club or any equipment belonging to the Club, providing such accident resulted in damage to equipment exceeding a sum of One Hundred Dollars (\$100.00).
2. The Safety Board shall consist of three (3) members of the Club who were not involved in the accident.
3. The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances of the accident; shall arrive at conclusions regarding the probable cause of the accident and the responsibility for said accident; and shall make known to the Board of Directors, and to all parties involved in the accident, its findings in the form of a written report.
4. Equipment Failure – Accidents caused by the failure of aircraft or engine equipment shall not be the responsibility of the member flying at the time, unless caused by the negligence of the member.
5. Pilot Error – Costs arising from accidents occurring under the control of any member and not by virtue of the failure of the aircraft or engine equipment beyond the control of said member shall be the responsibility of the member causing such accident or accidents to the extent that same is not covered by an insurance policy or policies.
6. Violations – Accidents caused by, or by virtue of a member's violation of Federal Aviation Regulations, State Aviation Regulations, Local Regulations or regulations of the Club shall be the sole responsibility of the member engaging in such violation and such member shall be liable for damages or costs resulting there from over and above such part thereof as may be covered by an insurance policy or policies.
7. The Board of Directors, upon receipt of the findings of the Safety Board, shall offer to all parties involved in the accident the opportunity of a hearing. After the hearing, or if such hearing is waived by all parties involved in the accident, the Board of Directors shall decide the financial responsibility for any damage to Club property. The decision of the Board of Directors shall be final.
8. The Board of Directors may, by majority vote, impose financial responsibility on a member for any loss or damage to Club property caused by that member. Recommendations of the Board shall be approved by recorded vote of members in good standing, present and voting at the meeting where such matter is being considered.
9. All financial obligations imposed on any member as a result of the decision of the Board of Directors shall be satisfied within thirty (30) days of written notice, unless specifically extended by the Board of Directors.

ARTICLE IX – Surplus

1. The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club's treasury for purposes to be determined by the Board of Directors. The surplus in any event shall not be distributed to the members for their individual use.

ARTICLE X – Assessments

1. An assessment of the members shall be made only pursuant to an affirmative vote of two thirds of the members present at a meeting who are in good standing and only provided that prior notice of the consideration at the meeting of such assessment is given to all the members as provided for in Section 3 of Article II.

ARTICLE XI – President

1. The President shall be the Chief Executive Officer of the Club. He/She shall preside at all meetings of the Club and of the Board of Directors. He/She may call meetings of the members of the Board of Directors and shall have, subject to the advice and control of the Board of Directors, general charge of the business of the Club, and shall execute with the Secretary, in the name of the Club, all certificates of membership, contracts and instruments other than checks which have been first approved by the Board of Directors. The President may execute with the Treasurer any checks for expenditures authorized by the Board of Directors.

2. The President shall be responsible to the Board of Directors for the operation of the Club. He/She shall make and enforce decisions regarding the suitability of all equipment and the qualifications of all members for every type of flight operation. He/She shall recommend for approval to the Board of Directors all operational rules of the Club, and shall report with recommendations all violations of such rules by any member of the Club.

ARTICLE XII – Vice President

1. The Vice President shall be vested with all the powers and shall perform the duties of the President in case of the absence or disability of the President.

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

3. The Vice President shall be responsible for membership services. To this end, his/her duties shall include, but not be limited to, the management of Club advertising, the recruiting of new members, and the maintenance of the Club roster.

ARTICLE XIII – Secretary

1. The Secretary shall keep the minutes of all proceedings of the members and of the Board of Directors and otherwise. He/She shall keep a membership book showing the name of each member of the Club, the book of By-Laws, and such other books and papers as the Board of Directors may direct. He/She shall execute with the President, in the name of the Club, all certificates of membership, contracts and instruments which have been first approved by the Board of Directors and may execute with the Treasurer any checks for expenditures authorized by the Board of Directors.

2. The Secretary shall perform all duties incident to the Office of the Secretary, subject to the control of the Board of Directors.

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

ARTICLE XIV – Treasurer

1. Except as otherwise provided herein, the Treasurer shall execute with the Secretary or with the President in the name of the Club all checks for the expenditures authorized by the Board of Directors. He/She shall receive and deposit all funds of the Club in the bank or banks selected by the Board of Directors, which funds shall be paid out only by check. He/She shall also account for all receipts, disbursements and balances on hand. Upon his/her election, the Treasurer shall post a bond, at the expense of the Club, in an amount to be determined annually by the Board of Directors.
2. The Treasurer shall perform all duties incident to the Office of the Treasurer, subject to the control of the Board of Directors.
3. The Treasurer shall also perform such duties connected with the operation of the Club as he/she may undertake at the suggestion of the President.
4. Upon the request of the Chief Maintenance Officer and with the approval of the Board of Directors, the Treasurer may transfer to another checking account such sums as the Chief Maintenance Officer may need to meet obligations of the Club when he/she is unable to obtain an extension of credit. Said account shall be opened in the name of the Club at a banking institution selected by the Board of Directors, payable upon the signature of the Chief Maintenance Officer, and subject to a maximum withdrawal of Seven Hundred Fifty Dollars (\$750.00) per check. On his/her election, the Chief Maintenance Officer shall post a bond at the expense of the Club in an amount to be determined annually by the Board of Directors.
5. As a specific requirement of the Office, the Treasurer, at intervals of six (6) to eight (8) months, shall review the financial position of the Club with particular regard to a determination of the current operating costs of each Club aircraft. The results of this review shall be presented to the Board of Directors and to the general membership along with appropriate suggestions regarding the prevailing charges. A newly elected Treasurer shall make such a review within three (3) months after the time he/she assumes the office.
6. The Treasurer will provide a monthly report of the financial status of the Club to the Board of Directors and an annual report to every member.

ARTICLE XV – Chief Maintenance Officer

1. The Chief Maintenance Officer shall be responsible for maintaining the aircraft in proper operating condition, maintaining current information in the log books of the Aircraft, for the supervision of a properly certified aircraft and engine mechanic and for obtaining all checks, inspections, major overhauls and for compliance with all service bulletins for the Aircraft.
2. The Chief Maintenance Officer shall be responsible for all papers required to be carried in the Aircraft and for the execution of all papers required upon the completion of inspection and major repairs.

ARTICLE XVI – Amendments

1. These By-Laws may be repealed or amended or new By- Laws adopted at any meeting of the membership called for that purpose or at any regular meeting, provided that at least ten (10) days notice of such changes has been given to the membership. The notice shall be in writing and shall include the specific language proposed. A two-thirds (2/3) majority vote of the members in good standing who are present at the meeting is required for passage.

This is a true copy of the By-Laws of the Octopus Flying Club, Inc. as they were revised at the meetings of: February 11, 1970; June 21, 1971; July 17, 1972; October 17, 1972; December 18,

1973; April 16, 1974; January 21, 1975; May 20, 1975; June 17, 1975; October 19, 1976; April 19, 1977; January 16, 1979; April 12, 1983; November 12, 1985; December 14, 1999; November 18, 2008, October 2011.