



# Aero Fliers, Inc.

## Code of Regulations

**Effective: 10/13/2018**

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### **ARTICLE I – THE CORPORATION ENTITY**

A. NAME. The name of this organization is: AERO FLIERS INC.

1. The Club, which is an Ohio not for profit Corporation, and no part of the net earnings of the Club will insure to the benefit of any member, except upon liquidation and distribution.
2. The Club is organized without shares

B. PURPOSE. The purpose of the AERO FLIERS, INC. (hereinafter referred to as the Club), is to provide for its members the means of obtaining aircraft educational and proficiency, as well as aircraft flying time based on four (4) major concepts:

1. Low overall costs for: membership, per-hour flying rate, reserves, and improvements.
2. Maximum flying time availability for the membership including schedule flexibility.
3. Maintain equipment quality, quantity, and growth of the Club membership.
4. Maintain safe operations at all times.

### **ARTICLE II – BOARD OF TRUSTEES**

- A. The Board of Trustees (hereinafter referred to as the ‘Board’) shall consist of the President, Vice President, Secretary, Treasurer, Chief Aircraft Maintenance Officer, and Chief Flight Instructor and Safety Officer.
- B. The management and operation of the Club shall be administered by the Board.
- C. Special meetings of the Board shall be called at any time on order of the President or on request of at least two (2) Trustees.
- D. Four (4) Trustees shall constitute a quorum of the Board at all meetings. An affirmative vote of greater than one-half of the number of Trustees present at the meeting shall be necessary to approve any resolution or action by the Board.
- E. The Board shall cause to be kept a record of its resolutions and actions and shall make same available to the membership.
- F. The Board may engage personnel from the inside or outside of the Club membership, including Board members, to perform such services in behalf of the Club as the Board deems appropriate and necessary.
- G. The Board shall have the power to enforce the Code of Regulations and the Standard Operating Procedures (‘SOP’s) as well as all rules and regulations pertaining to the use and operation of Club property.
- H. The Board shall approve all Certified Flight Instructors that teach and review the members of the Club in any Cub aircraft
- I. The Board shall prepare and submit an annual operating budget for approval of the members no later than the end of the first financial quarter (March 31<sup>st</sup> of the operating year).
- J. Any two (2) members of the Board can insist that an expenditure over \$1,500 that was not included in the budget obtains membership approval.

### **ARTICLE III - OFFICERS**

- A. The Officers of the Club shall be President, Vice-President, Secretary, Treasurer, Chief Aircraft Maintenance Officer, and Chief Flight Instructor and Safety Officer (Officers’), all of whom shall be members of the Club, and shall be elected by the majority of Club members in good standing at the Annual Meeting, and shall hold office for the later of: twelve (12) months or until their respective

successors are elected. The Board may, at its discretion may elect to waive the monthly dues for the Officers.

B. Duties of Officers

1. **President.** The President shall preside over all meetings of the Club and enforce the Code of Regulations and Standard Operating Procedures, call special meetings, appoint committees, shall be responsible for planning Club activities and programs for either regular or special meetings and perform such other duties as his office may require. The President shall co-sign checks over \$5000.00.
2. **Vice President.** In the absence of the President, the Vice President shall perform the duties of the office of President, and be responsible for the scheduling of aircraft for use by the members. The Vice President shall also oversee hanger care and hangar maintenance. The Vice President shall also be responsible for recruiting, screening, and orienting new members to the Club.
3. **Secretary.** The Secretary shall act as both recording and corresponding secretary; keep the minute book of the Club and records of all proceedings, maintain books, documents, and papers of the Club, except financial records; keep members informed of the activities of the Club; and perform such other duties connected with the operation of the Club as he may undertake at the instruction of the President. The Secretary shall also act as “statutory agent,” upon whom any process, notice, or demand required or permitted by statute to be served upon a corporation may be served, and shall further file statements of continued existence in accordance with Ohio Revised Code, Title 17, Chapter 1702; obtain signed statements by new members agreeing to be bound by the Code of Regulations and Standard Operating Procedures, etc.; and notifying the insurance carrier of all changes in membership when required to do so by the insurance carrier. The Secretary shall also serve as chairman of the audit committee.
4. **Treasurer.** The Treasurer will be responsible for supervising the financial record keeping, maintaining the accounts and producing statements. The Treasurer shall receive and account for all money belonging to the Club; collect membership payments, monthly dues, charges for flying, and other assessments; prepare annual financial statements; prepare Trustee meeting Income Statement, Balance Sheet, and Cash Flow Statement; file Federal, State and Local tax returns as required; and pay all bills from available Club funds as well as maintain

records showing the name, address, email address, and the home and office telephone numbers of all members. The Treasurer shall provide members an activity statement and account balance for each calendar month before the end of the following month. The Treasurer may sign checks and approve expenditures up to \$5000.00. The Treasurer shall be bonded, (unless waived by the Board of Trustees) the premium thereof to be paid by the Club. The Board, at its discretion, may elect to compensate the Treasurer for their time involved in invoicing and bill payment.

5. **Chief Aircraft Maintenance Officer.** The Chief Aircraft Maintenance Officer shall oversee: the maintaining current information in the logbooks of the aircraft; maintaining the aircraft in proper operating condition, by or under the supervision of properly certificated aircraft and power plant mechanics; obtaining all inspections, overhauls; compliance with all airworthiness directives; screening all service bulletins for the aircraft; and that all papers required upon completion of inspections and major repairs are executed.
  6. **Chief Flight Instructor and Safety Officer.** The Chief Flight Instructor and Safety Officer shall be responsible for maintaining standardized procedures for all Club members, checking out all Certified Flight Instructors ('CFI's') selected and approved by the Board of Trustees, with respect to all phases of flight instruction, including but not limited to: Initial Checkouts, Night Checkouts, Biennial Flight Reviews, CFI Flight Reviews and current insurance requirements.
    - a. The Chief Flight Instructor and Safety Officer shall encourage and promote the safe operation of the club aircraft
    - b. Assuring that all members accomplish initial, annual and biennial proficiency check rides as required by the Standard Operating Procedures.
    - c. Implement safety programs for the Members
    - d. The Chief Flight Instructor and Safety Officer will represent the Club in any action taken by the FAA involving a member of the Club.
- C. If any office, other than that of President, becomes vacant for any reason, the Board of Trustees shall appoint an interim successor until such time as the members shall elect a successor from the membership who shall hold that office for the unexpired term.

## ARTICLE IV – REQUIREMENTS FOR MEMBERSHIP

- A. Application for membership. All prospective members, including Active Members, Family Members, Inactive Members, Minor-as-member, and Instructors, shall completely and truthfully, complete and sign the current membership application in effect at the time of the application. All membership application forms shall be prepared by the Board of Trustees
- B. Admission to Active Membership. Aero Fliers limits Active Membership to 49 members. Applicants shall be admitted to provisional Active Membership upon payment of the Initiation Fee and approval by a majority of the Board of Trustees as defined herein. The term “Provisional Membership” shall apply to all new members and shall refer to their membership status for a period of six (6) full calendar months after the date of approval. This period will be used by the Club to further evaluate the character and aviation fitness and flying safety of the provisional member. Provisional Members are not eligible to vote on club issues or elections. The Board may terminate the individual’s membership with full refund of all deposits paid less all charges. Should no such action be taken before the end of the provisional period, the individual’s status will automatically become that of “member” without written notice.
- C. Minor as a Active Member. No person under the age of 18 shall be admitted to Active Membership unless he/she shall first present to the Club an agreement signed by his/her parents or guardian in the presence of Notary Public which shall read substantially as follows:
- “In consideration of my son, daughter and/or ward, \_\_\_\_\_, who is \_\_\_\_\_ years of age, being accepted for membership in the AERO FLIERS, INC., I hereby guarantee unconditionally his/her full and faithful performance of any and all of the obligations of membership and including of the payment of any membership charges, damages, fees and assessments, and I further agree to indemnify and hold harmless AERO FLIERS, INC., for any and all damage that may be done by my son, daughter and/or ward to any equipment or property belonging to the AERO FLIERS, INC., or for any liability that may be incurred by the AERO FLIERS, INC., by reason of the intentional act, recklessness, negligence or carelessness of my son, daughter and/or ward, including but not limited to legal expenses and costs incurred in defending claims or enforcing this agreement.”
- D. Family Active Membership. Members in good standing may apply in writing for admission of a member of his/her family as a Family Active Member of the Club. A family member shall not be responsible for the payment of the Initiation Fee.

The Board may approve any family member. Family Active Members shall include:

1. The member's spouse.
  2. The member's dependent children up to 21 years of age. At age 21 the current Initiation fee must be paid and the child shall be a member and not a family member.
  3. Persons active under the family membership (except for the member) shall:
    - a. Not be eligible to vote or hold office.
    - b. Be subject to all rules and regulations including the Standard Operating Procedures and the Code of Regulations except as noted herein.
    - c. Be eligible to fly only such Club aircraft as the member's membership entitles him/her to fly.
    - d. Be assessed in accordance with all rules established for family membership
    - e. Shall pay the regular monthly dues established by the SOP's.
  4. Every member, including family members of the Club, shall at all times be bound by the Code of Regulations, the Standard Operating Procedures, and such other rules and regulations as may be established by the Club.
- E. Inactive Membership. Provides an Active Member who no longer desires to fly to remain in the club and not require payment of the initiation fee(s) upon returning to Active Member status. A member wishing to transition from Active Member status to Inactive Member status must provide such notice in writing to the Treasurer. Only Active Members in good standing with the club are eligible to become Inactive Members.

Inactive Members are:

1. Not permitted to rent any club aircraft
2. Not eligible to vote on any club issues or elections.
3. Required to pay annual dues as described in *SOP 2012-04 Member Payments* in lieu of monthly dues. Nonpayment of annual dues will be considered as a resignation.

4. Required to notify the Treasurer in writing when desiring to return to Active Member status. Inactive Members will take priority over new membership applications when returning to Active Member status and the club is at its limit of Active Members.
  5. Considered provisional per Article 4 Section B when status is restored to Pilot status.
  6. Upon the termination or liquidation of the Club the Inactive Member may not participate as a member to share in any liquidation proceeds.
  7. Are required to remain in Inactive Member status for at least 24 calendar months once they have gone Inactive before they are eligible to assume Active Member status again.
- F. Instructor Membership. Provides a limited membership to instructors for the sole purpose of instructing active club members. Instructors membership has to be approved by the Chief Instructor:
1. Not classified as active members.
  2. Not permitted to rent any club aircraft
  3. Not eligible to vote on any club issues or elections.
  4. Upon the termination or liquidation of the Club the inactive member may not participate as a member to share in any liquidation proceeds.

## **ARTICLE V - MEETINGS**

- A. Regular meetings of the members in good standing, of the Club may be held at such times as the President or the Board of Trustees shall determine. A meeting may be held on in the first calendar quarter of each year, which shall be the Annual Meeting.
- B. Special meetings of the members may be convened by the President or at the request of a majority of members in good standing.
- C. The President, or in his absence, the Vice President, or in the absence of the President and Vice President, any other member of the Board of Trustees, shall call the meeting of members to order and act as the presiding officer thereof.
- C. At every meeting of members who are not suspended and are current with all payments on his or her accounts will be 'in good standing' and shall have only one vote per member.

D. At any meeting of the members, a quorum shall consist of one-fourth of the total members in good standing, as of the date of the meeting.

E. A majority vote of the members present is necessary for the adoption of any motion or resolution and for the election of a member as an officer, except for the liquidation, termination, dissolution of the Club or the sale or transfer of substantially all of its aircraft or other assets pursuant to Article IX herein.

F. For any member to vote at a meeting, the member must be physically present at the meeting to be eligible to vote: proxies shall not be permitted at any time. All meetings shall be conducted in all material respects in accordance with Robert's Rules of Order.

## **ARTICLE VI – FEES, DUES AND ASSESSMENTS**

A. Initiation Fee. Upon admission as a provisional member, the provisional member shall immediately pay the current Initiation Fee as set by the Board. The amount of the current initiation Fee shall be stated as one of the Standard Operating Procedures. Initiation Fees shall be set by the Board.

B. Monthly Dues and Hourly Flying Rates.

1. The monthly dues and hourly flying rates shall be revised by the Board time to time to reflect changes in costs. Members shall be advised of the revised charges by mailing written notice thereof to all members in good standing, except inactive members, with the next monthly bill. Such changes shall also be published in the minutes of the Board's meeting.
2. The monthly dues shall be set by the Board to cover the fixed expenses of the Club. Normally, the dues charged to each member (including family member) shall be set at levels slightly in excess of a member's estimated share of the fixed expenses. The hourly rates charged for flying an aircraft shall be set by the Board. The hourly rates shall be adjustment for fuel costs, which shall be in addition to the hourly charge for each aircraft.
3. For billing purposes as well as for tax purposes, flight time shall be accurately recorded on the Aircraft Time Log for the aircraft pursuant to the Tach (hour) meter. The times to be recorded include that indicated on the aircraft hour meter before the engine is initially started and that indicated on the hour meter after the engine has been finally turned off after the aircraft has been taxied to the hangar/tie-down position or accepted by another Club member. Should a discrepancy be noted between the previously recorded final reading and the



initial reading for the next flight, such fact should be noted in the remarks column of the Aircraft Time Log, and the fact brought to the attention of the Treasurer. In the event that the hour meter is not functioning or that no hour meter is available, time shall be computed to the nearest tenth of an hour utilizing the tachometer plus 20%.

- a. For maintenance usage, the time indicated on the aircraft hour meter shall be recorded prior to and at the completion of the maintenance flight. The maintenance usage shall be noted in the remarks column
4. Each member is responsible for the charges he/she incurs. As a consequence, the financial well-being of the Club depends upon the demonstrated financial awareness and responsibility of the individual members. Each member is responsible, therefore, for the prompt payment of charges for monthly dues, hours flown, fines, cost of repairs to Club aircraft chargeable to the member, and other assessments; failure to timely meet one's financial obligations to the Club constitutes a basis for administrative grounding, suspension, termination of membership or other administrative and/or legal action deemed necessary by the Board. Should administrative and/or legal action be necessary, the member shall be responsible for all fees, costs or incurred expenses, including all reasonable legal costs. All financial obligations including dues, aircraft rental, assessments are due when invoiced and payable by the 15th day of such month.
  - a. In the event that a member does not pay charges when due, the Treasurer may assess each month a penalty charge of 1-1/2% of the unpaid balance any time the unpaid balance exceeds \$20 and the Board of Trustees may elect to ground the member for non-payment.
  - b. When a member is grounded by the Board for nonpayment of dues and assessments, he/she shall automatically be considered a suspended member if payment is not made in full within 30 days.
  - c. Suspension of Monthly Charges. The Board may authorize a member to go to an inactive status in the event of ill health, extended travel, or other extenuating circumstances, subject to veto by the membership at the next membership meeting. Members will be relieved of monthly charges while in an inactive status. Inactive members are NOT in good standing and cannot vote, fly the Club aircraft, and will not have any rights to the Club or its assets.

## ARTICLE VII - COMMITTEES

- A. NOMINATING. The nominating committee shall consist of at least three (3) members appointed by the President. No current officer may serve on the nominating committee. The nominating committee shall meet and formulate its proposed slate of officers, and make its report at the annual meeting of the Members.
  
- B. AUDIT. Every year the books and records of the Treasurer will be audited by an audit committee, which shall be comprised of the Secretary, and two (2) additional club members who will be appointed by the President. The Secretary shall serve as the chairman of the audit committee and the audit will be conducted in the second calendar quarter of the year. The Board of Trustees may retain outside independent auditors at any time.
  
- C. SAFETY.
  - 1. A Safety Board consisting of Chief Flight Instructor and two (2) members of the Cub but are not currently serving on the Board of Trustees shall be appointed by the President to provide a safety program for members, and upon its own initiative or at the request of any member of the Board of Trustees investigate and report on aircraft accidents and incidents involving either a member of the Club or any damage to any property belonging to the Club.
  
  - 2. The Safety Board shall be chaired by the Chief Flight Instructor. If a member of the Safety Board is involved in any accident or incident, the President shall appoint a substitute for that member to serve on the Safety Board to investigate that particular accident or incident.
  
  - 3. The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances of any accident or incident; shall arrive at conclusions regarding the probable cause and responsibility for each accident, incident or damage claim; and shall make known to the Board and to all parties involved, its findings and recommendations in the form of a written report for each accident, incident and/or damage claim.

4. The Board of Trustees, upon receipt of the findings of the Safety Board, shall offer to all parties involved in the accident or incident the opportunity of a hearing as provided herein. After the hearing, or if such hearing is waived in writing by all the parties involved in the accident or incident, the Board shall decide the financial responsibility of the parties. The decision of the Board shall be final. If any of the parties involved in the accident or incident do not attend the hearing, the hearing shall take place in their absence. The Chief Flight Instructor shall not sit with nor vote as a Board member during such hearing when he has participated as a member of the Safety Board.
5. The Board shall impose financial responsibility, suspend, and/or terminate on any member for any accident, incident, and/or damage claim. The Board shall make the final decision with regard to financial responsibility, suspension and/or termination and the action to be taken, and will report to the Club members at the next regular meeting of the membership, the decision reached and the action taken or pending.
6. All obligations imposed on any member as a result of the decision of the Board shall be satisfied as soon as possible and not later than thirty (30) days after written notice. The members at all times shall be responsible for the prompt payment of all financial obligations.

#### **ARTICLE VIII – RESIGNATION, SUSPENSION OR TERMINATION**

- A. Resignation. A member wishing to resign from membership must provide such notice in writing to the Treasurer. Resignations shall be effective at the end of the calendar month following the month in which notification of the resignation is received by the Treasurer, provided the member's account is paid in full. If the account of a resigning member is not paid in full, he/she shall continue to be assessed monthly dues and shall be subject to the monthly fine of 1-1/2 percent of the unpaid balance as provided for above. Upon resignation, the member shall forfeit all right, title and interest in and to any funds or property of the Club at all times thereafter.
- B. Suspension. Any member may be suspended by the Board, pursuant to the Code of Regulations and Standard Operating Procedures. The duration of the suspension shall be determined by the Board.
- C. Termination of Membership. Upon the termination of a member, the member

shall forfeit all right, title, and interest in and to any funds or property of the Club at all times thereafter. Membership may be terminated as follows:

1. Upon written resignation and payment in full of his/her account.
2. Upon death or permanent disability of the member. The payment in full of his/her account shall be determined by the Board.
3. Upon a majority vote of the Board at a meeting for expulsion of a member for conduct contrary to the interests of the Club. Nonpayment of any club charges may constitute grounds for expulsion by the Board. Such vote shall be held as soon as possible but no sooner than five (5) days after notice in writing of the charges against the member has been delivered electronically or in writing to the last known email address or physical address of the member.

## **ARTICLE IX - DISSOLUTION**

A. If the Club becomes insolvent, or is unable to continue to provide services to its members, or upon the approval to dissolve and liquidate by at least a seventy-five per cent (75%) vote at any meeting of the Members in good standing, the Board shall appoint a committee to review and recommend if the Club should be dissolved and the assets liquidated. Any membership applications accepted within 180 days prior to this meeting shall be considered provisional per Article 4 Section B and will not participate in any liquidation of the Club or its assets. However, the new member in good standing will receive their initiation fee upon liquidation.

B. The Committee shall makes its report and recommendation to a Members meeting and upon the approval to dissolve and liquidate by at least a seventy-five per cent (75%) vote at any meeting of the members in good standing, the Cub shall disband and liquidate.

1. All club assets shall be sold and liquidated as practical.
2. Any club debts and liabilities that are guaranteed by any Member personally, shall be paid in full, then all other debts and liabilities of the Club shall be paid in full if funds are available and if there are insufficient funds, then on a pro rata basis.
3. Any funds or assets that remain after the payment of all debts and liabilities shall be distributed upon an equal basis to each current Member that is in good standing at all times for the period commencing 180 days

prior to the date that the Club held its first meeting on the matter to dissolve.

## **ARTICLE X – STANDARD OPERATING PROCEDURES**

A. The Club shall establish a set of Operating Rules governing the use of aircraft, scheduling procedures, finances and charges for use of Club property, procedures for the payment of charges and assessments, and such other rules and operating procedures as are required for the proper operation of the Club.

B. The Standard Operating Procedures may be amended, added to, or deleted by a majority vote of the Board. However, all such changes shall be subject to veto by a majority of the members in good standing, present at the next regular meeting or special meeting of the Club.

## **ARTICLE XI - AMENDMENTS**

A. The Code of Regulations may be amended by Members' meeting by a majority vote of all members in good standing. The Code of Regulations shall not be amended unless any proposed amendment is mailed or electronically forwarded to members with at least seven (7) day advance notice of the meeting at which the vote is to take place.

## **REVISION HISTORY**

Version	Date Approved by Membership
1.0	05/12/2012
1.3	05/11/2013
1.4	14/01/2015
1.5	16/05/2015
1.6	6/10/2015
1.7	6/07/2016
1.8	10/13/18