

**SOUTHEASTERN MINNESOTA FLYING CLUB
Inc.**

BYLAWS

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ARTICLE A. PURPOSE

The purpose of this Corporation, hereinafter referred to as the Club, shall be:

1. To promote an interest in, and a public appreciation of, aviation in all respects.
2. To provide aviation education for its members and the general public.
3. To provide, at the lowest possible cost, safe, modern, well-equipped, comfortable, attractive aircraft for its members for purposes of instruction and/or pleasure.

ARTICLE B. MEMBERSHIP CLASSIFICATIONS AND PRIVILEGES

Section 1. Classes of Membership Definitions

There shall be five classes of membership. They are:

- A. Active Member -- One who shall be entitled to all rights and privileges of the Club.
- B. Inactive Member -- One who shall be entitled to the same rights and privileges as an Active Member except the right to sponsor Family Members and to use Club property.
- C. Family Member -- One who is the spouse or legal dependent of an active member
- D. Student Member -- One who joins the Club as a student pilot with a student pilot certificate or as a pre-solo student.
- E. Suspended Member -- One who has been denied all Club rights and privileges.

Section 2. General Rights and Privileges

Each member shall share equally with others of the same class the rights, privileges, and obligations of his/her particular membership class.

Section 3. General Qualifications

Membership in the Club shall be open to those persons interested in aviation and the purposes of the Club. To be eligible to fly as pilot of a Club aircraft, members shall also meet and comply in all respects with current FAA regulations regarding flying qualifications.

Section 4. Application Procedures

Application for membership shall be by signed, written application using the form supplied by the Club. All applications must be filed with the Secretary.

Section 5. Table of Share value, Dues, and Rates

A table containing membership classes, numbers per membership class, rights, privileges, equity share requirements, dues and rates is published in the Flying Regulation and Operating Rules. This table will be revised as necessary by the Club Secretary to reflect changes by action of the Board of Directors and will be distributed to members.

Section 6. Classes of Membership: Rights, Privileges, Qualification, and Special Considerations

- A. Active Member -- Each Active Member shall have equal rights, privileges, and obligations. Each active member shall be entitled to participate in all Club activities, whether flying or otherwise, on an equal basis with every other Active Member. An Active Member has full voting rights, receives all Club mailings, and is the only class eligible for elective office. Active Members must be qualified under Article B, Section 3. Only designated training aircraft are available to Student Pilot certificated active members.

- B. Inactive Member -- Inactive membership is a special class which may be granted by the Board of Directors. Inactive memberships are discouraged and will only be granted for “once in a lifetime events”, e.g. temporary assignments that take club members out of Rochester, active duty service, a temporary disability or other personal/special circumstances. The Board of Directors has the responsibility and final authority to grant inactive memberships. Inactive membership will not be granted for periods of less than six (6) months except by action of the Board of Directors of the Club. Monthly dues for an Inactive Member shall be up to fifty percent (50%), to the nearest dollar, of the Active Member dues per month, and published in the Operating Rules document. Application for change of status from Active to Inactive shall be accomplished by mailing a request to the Club Treasurer. This request shall be reviewed and acted upon by the Board of Directors within thirty (30) days.

To become an Active Member, an Inactive Member simply flies a Club aircraft and notes it on the aircraft timekeeping log sheets. By flying a Club aircraft, the Inactive member becomes an Active member. The now Active member will be charged the then current monthly dues for the entire month after having flown a Club aircraft. If the member chooses to become an Active Member before their six (6) months of Inactive membership has expired, they will be billed the Active monthly dues for the entire six (6) month period except by action of the Board of Directors of the Club. Conversion from inactive to active status shall be for a minimum of nine (9) months.

Another way to become an Active Member is to send a letter to one of the Board of Directors stating your intentions. This request shall be reviewed and acted upon by the Board of Directors within thirty (30) days.

- C. Family Member -- Family membership is available to a spouse or legal dependent of an Active Member residing in the same household as the Active Member. A Family Member shall have the rights, privileges, and obligations of an Active Member except as follows: Family Members shall not vote, nor hold an elective office; shall not hold equity in the property of the Club, nor be entitled to any refund of membership fees. The total family (Active Member plus Family Members) shall have priority for use of the Club equipment equal to one membership. Family Members must meet the requirements of Article B, Section 3. The sponsoring member must request acceptance of a member/members of their family in writing to the Secretary. A legal dependent of an Active Member may retain family membership until age twenty three (23) provided they remain a legal dependent. Otherwise, their family membership terminates at age nineteen (19). Family memberships end with the termination of change to inactive status of the sponsoring Active Member. A sponsoring member is liable for all SE MN Club financial obligations for both themselves and their family member(s) as defined in Article J of this document.

- D. Student Member -- A student member has the same rights and privileges as an Active Member with the following exceptions:

Student Members are not eligible to:

1. Hold Club office.
2. Schedule and use Club aircraft other than the Club’s designated training aircraft. This/these aircraft are listed in the Flying Regulations and Operating Rules document. The Board of Directors has the authority to make exceptions to this restriction on a member-by-member basis for the purpose of not disrupting a Student Member’s training by forcing a change of aircraft type. Exceptions should only be granted where it will be beneficial to the student and not disruptive to the Club.

3. This class of membership automatically terminates 15 days after achievement of an FAA Pilot Certificate. Student Members will have priority for full active membership over new applicants.

E. Suspended Member -- One who has been denied all Club rights and privileges.

ARTICLE C. MEETINGS AND QUORUMS

Section 1. Quorum

The number of Active members equal to one-fourth (1/4) of the total Active membership shall constitute a quorum for transacting any business. The term business refers to elections, buying/selling aircraft, improvements to aircraft, and other matters of distinct importance.

The quorum for an impeachment vote will be equal to 75% of the total Active Membership.

Section 2. Annual Meeting (also referred to as the election meeting)

The meeting, at which Club officers will be elected, shall be held on the regular monthly meeting night in January at such place as the Club normally meets or such other place as designated by the Secretary in the meeting notice. In the event that such dates shall fall on a legal holiday, said meeting shall be held on the next following business day. The Secretary shall mail notice of such annual meeting to each member of the Club not less than five (5) days before the meeting. For purposes of transacting business, a quorum as defined in Article C, Section 1 must be present.

Section 3. Regular Meetings

Regular meetings shall be held at such time and place as the Board of Directors shall approve. For transacting business, a quorum as defined in Article C, Section 1 must be present.

Section 4. Special Meetings

Special meetings may be called by the President, or in his absence, the Vice President upon request of at least five members of the Club. Business conducted at such special meetings shall be limited to that sent out in the notice. For purposes of transacting business, a quorum as defined in Article C, Section 1 must be present. Not less than five (5) days before the special meeting, the Secretary or any other Club officer shall mail a notice to each member of the Club at his address as it appears in the Club records.

Section 5. Voting

All Active, Inactive and Student Members shall have equal voting rights for transacting business. Each such member shall be entitled to one vote.

Paragraph I. Voting for Election of Officers

Two voting members, not running for Office, shall be appointed by the Board of Directors to act as election judges. The Election Judges shall solicit for candidate nominations two months prior to the Election Meeting. Candidates will be nominated at the Regular Monthly Meeting, one month prior to the election meeting. A campaign statement from each nominee may be mailed along with the Absentee Ballots to the membership no later than 20 days prior to the Election Meeting.

Absentee Ballots must be marked and returned in time for the Election Meeting or brought to the Election Meeting if the voter is attending. The number of ballots submitted must meet the quorum conditions as outlined in Article C, Section 1.

The Election Judges will count all ballots at the Election Meeting and announce the results to the attending membership. In the event of a tie vote, the candidates tied will have an opportunity to resolve the issues themselves. If it can not be resolved in this manner, the winner will be determined by coin flip.

Paragraph II. Other Voting

If the item being voted on requires a quorum of the voting membership as defined in Article C, Section 1, (i.e. the impeachment process), the Chairman or other Club Officer shall mail ballots to the voting membership a minimum of 20 days prior to the meeting at which the vote is to be counted. Ballots should be returned to the sender in time for the meeting at which the vote is to be counted.

Section 6. Board of Directors Meeting

Board of Directors meetings shall be held at the call of the President. The Board of Directors shall meet at least once a month, no later than one week before an annual or regular meeting. A quorum for all Board meetings shall be at least a majority of the Board of Directors then in office.

ARTICLE D. OFFICERS AND BOARD OF DIRECTORS

Section 1. Officers

There shall be four (4) Club officers: a President, a Vice-President (who shall also serve as Safety and Operations Officer), a Secretary, and a Treasurer. To assist them in carrying out the purposes of the Club, immediately after taking office, said officers will, by majority vote, appoint or re-appoint a Director of Inspection and Maintenance and such other assistants they deem necessary. Those appointed shall be selected from the active membership and shall hold office until the next annual meeting or until relieved by the Board of Directors.

Section 2. Board of Directors

The Board of Directors shall consist of the elected officers of the Club only.

Section 3. Authority

The Board of Directors shall have full authority to act on any and all matters concerning the Club except those specifically excluded in the Bylaws. However, some actions may be subject to approval of the membership. These are set forth in Article H, Section 2 and Article M, Section 2. All obligations of the Club must be presented to, and approved by the Board of Directors which shall also determine equity share value, dues, rates and assessments.

Section 4. Impeachment

A seventy-five percent (75%) majority vote of the active and inactive membership on the date the vote is taken shall be required to impeach an officer. An impeachment proceeding shall have a Chairman, who is not an Officer of the Club, elected by the membership. The Chairman shall be appointed by election at a regular monthly meeting by the membership present. Proceedings shall be called by a current Officer of the Club who is not being impeached.

Section 5. Vacancy

In the event of a vacancy, the remaining members of the Board shall appoint a temporary officer to serve until the next regular meeting at which time a special election shall be held to fill the vacancy. Candidates shall be nominated from the floor. If a permanent officer is not elected within sixty (60) days after the vacancy occurs, the temporary officer shall thereafter serve as officer for the remainder of the unexpired term.

ARTICLE E. DESIGNATION OF OFFICERS AND THEIR DUTIES

Section 1. President

An Active Member elected by a majority of the Active and Inactive Members then present and voting at the annual meeting and based upon a quorum as set forth in Article C, Section 1, being present. Duties of the President shall be to:

- A. Preside at all meetings of the Club and Board of Directors.
- B. Appoint committee chairmen with the Board of Director approval.
- C. Sign all acts or orders necessary to carry out the business of the Club.
- D. Cast the deciding vote in cases where any question or motion is a tie.
- E. Represent the Club to outside persons or other organizations whenever necessary.

Section 2. Vice President, Safety and Operations Officer

An Active Member elected by a majority of the Active and Inactive Members then present and voting at the annual meeting and based upon a quorum as set forth in Article C, Section 1, being present. Duties of the Vice President, Safety and Operations Officer, shall be to:

- A. Assume the duties of the President in the event of his absence, illness, death, resignation, or removal from office.
- B. Plan Club activities and programs for both regular and special meetings.
- C. Monitor the effectiveness of Club aircraft maintenance, compliance with Club imposed flying rules, investigate suspected or alleged violations, and recommend corrective actions to the Board of Directors.

Section 3. Secretary

An Active Member elected by a majority of the Active and Inactive Members then present and voting at the annual meeting and based upon a quorum as set forth in Article C, Section 1, being present. Duties of the Secretary shall be to:

- A. Record the minutes of all regular and special meetings of the Club.
- B. Record the minutes of all meetings of the Board of Directors.
- C. Call a meeting to order in the absence of the President and Vice President.
- D. Preserve all records, reports, and documents of the Club except those specifically assigned to the custody of others.
- E. Carry on the official correspondence of the organization as well as sending notices of meetings to members.
- F. Keep a membership list containing the name and address of each member and the date of admission to membership.
- G. Give all notices required by law and all notices specified in the Bylaws of the Club.
- H. Keep and maintain records required under 14 Minnesota Code of Agency Rules and 1.0027 (D) (1)-(8).

Section 4. Treasurer

An Active Member elected by a majority of the Active and Inactive Members then present and voting at the annual meeting and based upon a quorum as set forth in Article C, Section 1, being present. Duties of the Treasurer shall be to:

- A. Receive, receipt for, record, and disburse Club monies.
- B. Render a current financial report at each business meeting.
- C. Keep an accurate account of the finances of the Club on the books of the Club prepared and furnished for that purpose which shall be open for inspection and examination by the officers or any committee of the members appointed for that purpose.
- D. At the expiration of his term in office insure an orderly transition to his successor. If there is doubt as to who his successor is he will deliver all books, papers, and property of the Club in his hands, together with all monies and rights of the Club, to the President who in turn will convey them to the next Treasurer.
- E. Exercise his fiduciary responsibility to the club, ensuring that safety and long term interests are met.

ARTICLE F. DUTIES AND RESPONSIBILITIES OF MEMBERS

Section 1. Duties

Club members shall exercise caution and safety in flying, and shall observe and comply with all local, state, and Federal flying rules, regulations, and codes. Members shall also comply with the Flying Regulations and Operating Rules and of the Club. This document, distributed to each new member of the Club, is a separate document from the Bylaws. Amendments to this document will be communicated via the monthly newsletter.

Section 2. Responsibilities

Club members are expected to pay dues, assessments, and rates promptly; take an active part in the operation of the Club; attend meetings; conduct themselves in a fitting manner at meetings and on the flying field; be alert and mindful of the Club's interests; and work towards maintaining a full Club membership.

ARTICLE G. OPERATING RULES

Section 1. Authority

The Club shall establish and maintain Operating Rules covering General Information, Responsibilities, Scheduling, Maintenance, and Finances.

Section 2. Changes

Operating Rules may be amended, added to, or deleted by a majority vote of the Board of Directors then in office and voting, but changes must be ratified by the membership. Ratification procedures are detailed in Article O, Section 2.

ARTICLE H. FLYING REGULATIONS

Section 1. Authority

The Club shall establish and maintain Flying Regulations which shall be binding upon all members who fly Club aircraft.

Section 2. Changes

Flying Regulations may be amended, added to, or deleted by a majority vote of the Board of Directors then in office and voting, but changes must be ratified by the membership. Ratification procedures are detailed in Article O, Section 2.

Section 3. Emergency Regulations

The Board of Directors shall have the right by majority vote of directors then in office and voting to establish and place into effect immediately any regulation of an emergency nature. Such emergency regulations shall be temporary until such time as required to comply with ratification procedures set forth in Article O, Section 2.

Section 4. Statement

Members of all classes shall sign a statement indicating that they have read, understand, and agree to conform to the Bylaws, and the Flying Regulations and Operating Rules established by the Club. This statement is contained in Article P.

ARTICLE I. EQUITY SHARES, DUES, FEES, AND ASSESSMENTS

Section 1. General

The Club shall be operated on a nonprofit, expense-sharing basis.

Section 2. Membership Fee

All new members shall pay an initial membership fee in an amount determined by the Board of Directors and set forth in the Flying Regulations and Operating Rules, Table C.

Section 3 Shares Each member will be required to purchase equity in the form of one or more share(s) in the club as determined by the Board of Directors and set forth in the Flying Regulations and Operating Rules, Table C.

Section 4. Dues

All membership classes shall pay monthly dues as determined by the Board of Directors and set forth in the Flying Regulations and Operating Rules, Table C.

Section 5. Fees

Fees for the use of Club aircraft are set forth in the Flying Regulations and Operating Rules, Table C.

Section 6. Assessments

The Board of Directors, by unanimous vote, may, whenever they deem necessary, levy special assessments not to exceed an amount equal to one month's dues against Active and Inactive Members to meet current expenses. Assessments greater than an amount equal to one month's dues per calendar

quarter shall require approval by a majority vote of the members present at a regular, special, or annual meeting and based upon a quorum as set forth in Article C, Section 1 being present.

ARTICLE J. INDEBTEDNESS

Members are expected to pay monthly dues, rates, and special assessments, if any, within twenty-one (21) days of receipt of billings. Failure to do so can result in suspension of the right to use Club aircraft if, in the opinion of the Board of Directors, a member has been a frequent offender. A suspended member may be expelled from the Club under the provisions of Article K.

If payment of Club dues, rates, special assessments or other charges is past due the Club may assess late charges. The grace period and interest rate are to be published in the Flying Regulations and Operating Rules document.

ARTICLE K. SUSPENSION/EXPULSION

Section 1. Suspension

A member may be suspended for up to sixty (60) days from all rights and privileges of Club membership by unanimous vote of the Board of Directors when, in its opinion, the member has failed to live up to the duties and responsibilities of members as described in Article F and/or has repeatedly failed to pay dues, rates, and special assessments in accordance with Article J. After sixty (60) days, a suspended member must be returned to full in good standing status or expulsion procedures as described in Article K, Section 2 must be carried out.

Section 2. Expulsion

A person of any class of membership may be expelled from the club when, in the unanimous opinion of the Board of Directors and in the majority opinion of a quorum as outlined in Article C, Section 1. Expulsion shall be determined by the majority vote of the of the voting members present at any regular, annual, or special meeting. Expelled persons forfeit all membership rights and privileges in the Club and remain responsible for all indebtedness to the Club. Members being considered for expulsion shall be notified in writing not less than five (5) days before the membership shall vote on expulsion.

ARTICLE L. RESIGNATION

Section 1. Conditions

A member may request resignation at any time by submitting written notice to the Board of Directors, but may, if there is no replacement available, be requested to remain an Active Member and to pay monthly dues and assessments, if any, for a maximum of three months. Resignations will be effective within ninety (90) days when accepted by the Board of Directors

Section 2. Repurchase of Shares

Upon resignation, the club will repurchase all shares held by that member for the current value as set by the Board. Private sale of club Shares is specifically prohibited without Board approval. Such approval is required to insure that members on the waiting list (if any) are allowed to join the club in order of application, and to insure that the outgoing member has settled any debts to the club. Any sale or repurchase however is dependant on the following conditions:

- A. The member is in good standing
- B. Any charges or assessments due the Club on the effective date of resignation shall be subtracted from the repurchase amount.

ARTICLE M. LIABILITY OF MEMBERSHIP

Section 1. Liability Insurance

The Club shall at all times carry property damage and public liability insurance on its property to protect the Club as a Corporation and its individual members against liability actions, suits for damage, or judgment of third persons. The insurance shall be adequate in the judgment of the Board of Directors.

Section 2. Airframe Insurance

Hull insurance against ground and flight damage shall be secured by the Club to the extent deemed necessary by the Board of Directors, subject to approval by a majority vote of a quorum as set forth in Article C, Section 1.

Section 3. Damage to Aircraft

If a Member has possession of an aircraft and damage occurs to the aircraft, the Member may be responsible for the damages up to the value of the club's insurance deductible.

If the damage was caused by a mechanical or maintenance failure of the aircraft beyond the Member's control the member will not be held responsible for the damage. The Board of Directors has the final authority on making this determination and granting this exception.

Section 4: Misconduct/Carelessness/Negligence

To the extent not covered by insurance, a member is liable to the Club for all damage sustained by the Club resulting from his own misconduct, carelessness or negligence or if an accident is caused through willful violation of Federal Aviation Regulations, Minnesota Department of Aeronautics Regulations, local regulations, or Club rules or regulations. In the event that a member at fault is not able to pay the total damages for which he is responsible, the balance of the repair or replacement bill shall be paid in full or in part from the offender's membership share value. The member shall remain responsible to pay any remaining balance. Flying privileges shall be suspended until full payment has been made and the membership share value has been reestablished.

Misconduct, carelessness and negligence may be grounds for expulsion.

Section 5. Accident Investigation

The Board of Directors has the responsibility and authority to investigate accidents, penalize members for violations of good flying practices, and to expel said member(s) for unsafe operation of Club equipment.

ARTICLE N. PROPERTY

Section 1. Title

All property, both real and personal, shall be held in the name of the Club.

Section 2. Dissolution

Should the Club be dissolved, each Active, Inactive and Student Member shall be entitled to an equitable share of the Club's assets.

ARTICLE O. AMENDMENT/RATIFICATION

Section 1. Amendment

Bylaws may be amended by the majority vote of a quorum as set forth in Article C, Section 1, at a meeting of members. The Bylaws shall not be amended unless proposed amendments were read at a previous meeting and distributed to all Active and Inactive Members not less than five (5) days before the meeting at which the vote is to take place.

Members of all classes shall abide by the most current version of the document.

Section 2. Ratification

Ratification of Flying Regulations and Operating Rules shall be made by the majority vote as set forth in Article C, Section 1, at a meeting of members.

Members of all classes shall abide by the most current ratified version of this document.

