

ELK FLYERS, INC.

BY-LAWS

ADOPTED: OCTOBER 27, 1982

ARTICLE I THE CORPORATION

101. The name of the corporation shall be Elk Flyers, Inc.
102. The purpose of this corporation shall be to own and maintain aircraft suitable for operation and use by its members; to promote and advance the use of private aircraft; to provide, through its operation and maintenance of its aircraft, the most economical flying facilities possible for its members; to organize, promote the advancement and expansion of private aviation; to organize and operate instruction courses in those branches of the science and art of aerial navigation and piloting deemed appropriate by the Board of Directors for the benefit of the general public as well as its members; and to engage in such other ventures, activities, or business for the benefit of the Corporation and of its members as are permitted by the Articles of Incorporation.
103. The seal of the Corporation shall be in the form impressed in this section.

Attest (seal)

104. The office of the Corporation shall be located at 159 Cessna Road, St. Marys, Elk County, Pennsylvania, or at such place as the Board of Directors of the Corporation may designate by proper Resolution.

ARTICLE II
MEMBERSHIP

201. Membership in the Corporation shall be open to the public at large, provided, however, that the Board of Directors may curtail the number of memberships by resolution properly adopted. The present membership shall be notified of any resolution to that effect.

202. Membership Classifications:

1. The Board of Directors has designated the following classes of membership:
 - A. Full membership
 - B. Associate membership
 - C. Student Pilot membership
 - D. Inactive

Fees are listed in Section 11 of the operating rules.

203. Membership Requirements and Responsibilities:

1. General
 - A. The membership shall be open to the general public.
 - B. Members shall pay the established fees for aircraft use and for the instructor's time.
 - C. The Board shall, from time to time, establish the membership fees and monthly dues for the various classes of membership and the aircraft hourly rates.
 - D. Revocation of Membership:
Any individual membership may be terminated by a majority vote of the Board of Directors. Such terminated member shall have no recourse whatsoever against the

Corporation, its assets, members, officers, agents, or employees.

If at the time of termination a member is indebted or obligated to the Corporation, the amount of indebtedness or obligation shall be withheld from the member's share.

2. Full Membership

- A. Must go through full application procedure including Board review and acceptance.
- B. May hold any class of pilot certificate along with an appropriate medical certificate or may be a new student pilot.
- C. Will have full voting rights.
- D. The membership fee is established by the Board and may be paid in three equal monthly installments. The monthly installment are due with the membership application and the balance is due within three (3) months.

The membership fee is refundable during the first year but retained by the corporation thereafter.

- E. The monthly dues are established by the Board. For a new member the first months dues are due with the membership application and will be applied to the first full month after the member has been approved by the Board.
- F. Has use of the Corporation aircraft according to the Operating Rules and By-Laws.

3. Associate Member

- A. Primarily available to aircraft owners who desire to use the corporations type aircraft. Could be extended to student pilot until they solo and are listed as full members.
- B. The membership fee will be established by the Board and will be due with membership application.
- C. The monthly dues are established from time to time

by the Board. The first months dues are due with membership application and will be applied to the first full month after the member has been approved by the Board.

4. Student Pilot Membership
 - A. Same as full membership except monthly dues are less and has no voting rights.

5. Inactive Membership
 - A. Reason for status could be inability to meet physical, financial requirements or otherwise determined by the Board of Directors.
 - B. Do not have access to Corporate Aircraft
 - C. Do not pay dues
 - D. Membership fee is retained by the Corporation
 - E. Stock value is frozen at date of inactive status

204. Members must be of good moral character, responsible, and financially able to meet the obligation of the Corporation. They must have the ability to procure certificates or permits required by any governmental agency for the operation of aircraft. Membership qualifications may also be changed by Board resolution. Special exemptions may be granted by the Board.

205. Each full member shall be deemed to own a share of the assets of the Corporation based in proportion on his or her contribution and to the total number of members. Assets are one share per each year for full members and 1/3 share for each year for associate members. Upon the dissolution of the Corporation, the assets, if any, shall be divided in accordance with proportionate shares held by the members at the time of dissolution. Deceased members shares are retained by the Corporation.

206. Each member shall be issued a certificate in such form as shall be

determined by the Board of Directors. No membership or certificate of membership or Certificate of Investment shall be transferred, sold, pledged, assigned, bailed, alienated or hypothecated except as hereinafter provided. A deceased members investment, less any unpaid obligations to the Corporation, will be distributed to the members estate, as timely as possible by the Board of Directors.

207. Membership may be sold, at a price determined by the Board of Directors, only to an individual who is approved by the Board. Until approval of sale or transfer is obtained, the member remains subject to

all obligations of membership. Members may authorize the Board of Directors to sell their memberships. The Board shall not approve or consent to voluntary sale or transfer if the member is indebted or obligated to the Corporation.

208. ASSESSMENTS

1. Each member shall be assessed monthly dues as fixed by the Board of Directors. The Board may, at their discretion, exempt certain positions from the payment of dues in return for services to the Corporation.
2. Members shall pay for time flown at hourly rates fixed by the Board of Directors.
3. Special assessments of members may be made by the Board of Directors in unusual or extreme circumstances.
4. Dues, charges and assessments are payable upon rendering of an account, and become delinquent upon the last day of the month.
5. A penalty shall be imposed as 1.5% per month of the balance in a member's account unpaid by the last day of the month following the close of the month for which the statement is submitted.
6. The Board of Directors shall have the authority to declare a

delinquent member inactive and deny him use of Corporation
aircraft or to involuntarily terminate such delinquent
membership as provided in 203 1D of this Article.

ARTICLE III
LIABILITY OF MEMBERS

301. The Corporation shall, at all times, cover all aircraft with hull insurance and shall carry property damage and public liability insurance to protect the Corporation and the members against liability, actions, suits for damages or judgments of third persons or members. The insurance shall be adequate in the judgment of the Board of Directors.
302. The individual member shall be responsible for the safe operation of the Corporation aircraft. If damage is caused by act of omission of the member, such member shall be liable for the damage sustained and may be assessed the uninsured, non-reimbursable cost of repair or replacement, not to exceed, however, the deductible amount.
303. In the event that any member be found by the Accident Investigation Board to have caused loss, damage, destruction or injury to the Corporation or to its aircraft, engines or equipment through or by reason of gross negligence, or willful violation of any law, regulation or rule of the Federal Government, of any State, or of the Corporation, or while under the influence of intoxicating liquors or drugs, the member or his estate will be held liable for all such loss, damage, destruction or injury. The limitation of liability set forth in 302 of this Article will not be applicable in such event.
304. The Corporation assumes no responsibility to the member for the results of his acts or omissions while operating Corporation aircraft except insofar as protection is afforded by the policy or policies of insurance carried by the Corporation.

ARTICLE IV
EQUIPMENT

401. The Corporation shall be authorized to own, lease, rent or charter aircraft for operation by Corporation members. Aircraft shall be suitable and adequate for training and cross-country operation and shall be equipped with instruments, navigational aids and other equipment as may be deemed advisable. The number, types, and equipment of aircraft shall be determined by the Board of Directors.

ARTICLE V
MEMBERSHIP MEETINGS

501. Meetings of the membership shall be held, as needed, at the discretion of the Board,

Notice of meetings shall be given by mail at least one week prior to the meeting date.

The President or the Board of Directors shall be required to call a meeting at the written request of at least 25% of the members.

ARTICLE VI
QUORUM AND VOTING RIGHTS

601. A majority of Full members other than members declared inactive, shall constitute a quorum for the transaction of business at meetings.

Except as otherwise provided in the By-laws, a majority of the members present ,including proxies, at any meeting at which a quorum is present may take action on any matter. Each member shall be entitled to one vote.

ARTICLE VII
AMENDMENT TO BY -LAWS

701. By-laws of the Corporation may be adopted, amended or repealed by the vote or written assent of a majority of all of the members of the Corporation.

ARTICLE VIII
FISCAL YEAR

801. The fiscal year of the Corporation shall be the year ending in December 31.

ARTICLE IX
BOARD OF DIRECTORS

901. Subject to the limitation of the Corporation's code, the business and affairs of the Corporation shall be controlled by a Board of five (5) Directors, except that the Board shall not incur indebtedness in excess of 50 % of the market value of the Corporation assets.
902. Directors, elected or appointed as provided herein, shall hold office for a term of two (2) years, or until their successors are elected.

The Directors authorized by this article shall be elected by a secret ballot vote of the membership during the month of January.

At a membership meeting, which shall be held prior to the election, members shall be permitted to nominate full membership candidates from the floor. The names of all candidates shall then be placed on the ballot. Members shall vote for three (3) Directors in odd years and two (2) Directors in even years. The candidates receiving the highest number of votes shall be elected.

903. A vacancy in the Board of Directors exists in the event of:

1. The death, resignation or removal of any Director.
2. An increase in the authorized number of Directors.
3. The failure of the members to elect the authorized number of Directors at the annual election.

Vacancies may be filled by a majority of the remaining Directors, or by a sole remaining Director. Each Director so appointed shall hold office until his successor is elected.

904. The entire Board of Directors or any individual Director may be removed from office by a majority vote of the members.

905. Meetings of the Board of Directors shall be held at any place within the State which may be designated by Resolution of the Board or by written consent of the members of the Board. Regular meetings shall be held as required. Special meetings of the Board shall be called by the President, or if he is absent, or is unable, or refuses to act, by the Vice-President, Secretary, Treasurer, or by any two Directors. Written notice of special meetings shall be given by mail or delivered personally to each Director at least five business days before the meeting. Notice of special meetings need not be given if written consent of the Directors is obtained.

The minutes of any special meeting of the Board shall contain an entry showing that due notice of the meeting had been given to all Directors. Said entry shall be conclusive evidence that due notice has been given to all Directors and in the manner required by law and by these By-laws.

906. The transactions of any meetings of the Board, regardless of how called or noticed, are valid, if a quorum is present, and if each of the Directors not present signs a waiver of notice, a consent to the meeting, or an approval of the minutes of the meeting.
907. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business. Every act done or decision made or resolution passed by the majority of the Directors present at a meeting duly held, at which a quorum is present, is an act of the Board of Directors.
908. The Board is authorized to spend the liquid assets of the Corporation, but not to exceed Five Thousand Dollars (5,000.00), without notice or approval of the general membership. Any expenditure in excess of \$5,000.00 must be approved by a majority of the membership then existing.

ARTICLE X
OFFICERS

1001. The officers of this Corporation shall be a President, Vice-President, Secretary and Treasurer.
1002. Officers shall be chosen biennially by the Board of Directors at the first meeting after the annual election of the Board. Each officer shall hold office until his successor is elected or until he shall resign or be removed.

The Board of Directors shall within a reasonable time after any of the offices becomes vacant for any reason, elect a successor who shall hold office for the un-expired term or until his successor is elected.

1003. Any officer is subject to removal by the Board of Directors with or without cause by a majority vote of the Directors then in office at any

meeting of the Board of Directors, regular or special.

1004. Duties of Officers:

1. President - The President shall preside at all meetings of the Corporation and of the Board of Directors. He shall sign with the Secretary or Treasurer in the name of the Corporation all contracts, certificates, notes or other documents affecting the business of or in any way binding upon the Corporation. He shall coordinate the activities of the Corporation and promote the general welfare of the organization. The President is authorized to spend up to \$500.00 without notice or further approval by the Board of membership at large.
2. Vice-President- The Vice-President shall perform the duties of the President in his absence or disability and in such event shall be vested with all of his powers.
3. Treasurer- The Treasurer shall act as Corporation General Manager. He shall exercise general supervision of the business affairs and property of the Corporation. He shall, subject to the advice and control of the Board of Directors, direct and manage the affairs and business property of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital surplus and membership certificates. Shall provide a financial report at each meeting. He shall be further responsible for the payments of all Corporation obligations, for the collection of dues, assessments and flight time payments.
4. Secretary- The Secretary shall handle all correspondence.

He shall, keep a book of minutes of meetings of the Board of Directors or members and shall keep a register of the members of the Corporation. The books and records shall be open to inspection by the Directors or by any member at any reasonable time.

