

BYLAWS OF HALF MOON BAY FLYING CLUB

P.O. Box 492

Half Moon Bay, CA 94019

February 26, 2009

ARTICLE I - NAME

The name of this corporation is HALF MOON BAY FLYING CLUB. It is a nonprofit, mutual benefit corporation operating under the laws of the State of California.

ARTICLE II - ACTIVITIES OF THE CLUB

The activities of the Club shall be consistent with its Articles of Incorporation, these Bylaws and the Operating Procedures of the Club.

ARTICLE III - MEMBERSHIP

- A. There shall be one class of membership. Each member shall have full voting rights as established by California law. Membership shall be open to persons who have an active interest in aviation as determined by the Board of Directors (BOD). The BOD shall set the number of members.
- B. Each member shall have the same rights and obligations as every other member. Each member shall have an equal interest in the Club and its assets.
- C. The interest of each member will be the total interest in the Club divided by the number of members of the Club. When a member's association with the Club terminates, the member's interest shall revert to the Club.
- D. If requested in writing, and with reasonable notice, members may have access to the Club's records. Members may not have access to the personal information of other members of the Club.
- E. There shall be no voting by proxy. Each member shall be entitled to cast one vote for the election of officers or on other matters requiring membership approval.
- F. Members may vote by mail or email. Ballots must be returned within the prescribed time given in the notice of the election to be valid and counted.

ARTICLE IV - FEES AND ASSESSMENTS

- A. The BOD shall set the fees.
- B. Assessments will be proposed either by the BOD or Club members and considered at meetings of the members.

ARTICLE V - OBLIGATIONS OF MEMBERS AND DIRECTORS

- A. The BOD or their designee shall have the duty to maintain all aircraft under their custody in condition complying with all Federal, State, and County laws and regulations.

- B. Each member shall operate all aircraft in compliance with the rules of the Federal Aviation Administration, laws of the State of California, and comply with the Club Operating Procedures. Each member of the Club shall be responsible for the aircraft in his/her possession or custody.

ARTICLE VI - INSURANCE

The BOD or their designee shall obtain full hull and liability insurance for the protection of the Club and its members. The BOD shall determine the amount and type of coverage of such insurance policy. Each Club member shall be responsible for any and all damages caused by or to the aircraft under his/her possession or custody and which damages are not covered by the insurance policy (as determined by the BOD).

ARTICLE VII - TERMINATION OF MEMBERSHIP

- A. Any member of the Club may resign by submitting a written or oral request to the BOD. His/her membership shall also terminate on his/her death or on his/her expulsion from the Club. Notwithstanding any termination, all sums due to the Club from any member shall be due and remain a debt in favor of the Club and shall be enforceable against the member or his/her estate. These sums shall include any and all legal and reasonable collection fees and costs.
- B. Any member of the Club may be expelled by quorum of the BOD. Grounds for dismissal will include intentional or continued violations of the Club Operating Procedures or conduct, which the BOD deems not to be in the best interests of the Club.

ARTICLE VIII – MEETINGS

- A. An annual meeting of the members of the Club shall be held in the Half Moon Bay area. The BOD may call special meetings at any time.
- B. The conduct of all meetings shall be governed by the latest edition of Robert's Rules of Order where not specifically provided for in these Bylaws.
- C. The members at any meeting that has been properly announced shall constitute a quorum.
- D. Members will be notified of meetings. Advance notice of fourteen days will be given of such meetings. Minutes of the meeting will be provided to the members by U.S. mail or other means. If the President receives no written objections within fifteen days of notification of the results of the meeting to the members, then the membership not in attendance at the meeting will be held to have voted with the majority voting on the matter.

ARTICLE IX - BOARD OF DIRECTORS

- A. The authorized number of directors of the club shall be not less than two nor more than five.
- B. Each director of the Club shall be a member of the Club.
- C. Any vacancies in the BOD shall be filled by vote of the remaining directors.
- D. All directors shall hold office until they resign or are removed from office.
- E. A director may be removed from office by the affirmative vote of the majority of the remaining members of the BOD.

- F. During the period of their tenure as Directors of the Club, the Directors of the Club will be exempt from payment of dues.

ARTICLE X - BOARD OF DIRECTORS' MEETINGS

- A. Meetings of the BOD are normally held each month and are normally open to all members; additionally, meetings may also be held at the request of any director (within 72 hours notice).
- B. A quorum of Directors will depend on the number of directors on the BOD as follows:
 - a. Two directors – two required for quorum
 - b. Three directors – two required for quorum
 - c. Four directors – two required for quorum
 - d. Five directors – three required for quorum
- C. The BOD shall normally transact business relating to the Club operations during regularly scheduled meetings according to the above quorum rules except as follows:
 - a. In matters of an urgent nature, where delays in decisions may adversely impact any aspect of club operation, the BOD is authorized to transact business via email
 - b. To ensure all BOD members are provided the opportunity to participate, special email voting rules shall apply. These are:
 - i. The Initiating Director may make a motion by sending an email to all Directors.
 - ii. Any other director may second the motion by replying to all Directors
 - iii. Once seconded, the Initiating Director is authorized to conduct a vote via email.
 - c. The motion as made and seconded shall be sent to all directors by the Initiating Director with a request to vote which includes a specific time period in which reply votes must be received.
 - d. The motion may only pass or fail (by simple majority) if all directors respond with a vote 'Aye', 'Nay', or 'Abstain'. Any director failing to vote or voting 'Decline to vote' will result in the motion being tabled until the next BOD meeting.
 - e. Upon the completion of the vote, the Initiating Director will tally and report to the other directors complete results of the vote

ARTICLE XI - POWERS OF THE BOARD OF DIRECTORS

- A. The BOD shall have the power to establish rules and regulations for conducting the affairs of the Club or to revoke them, modify them, or change them. All such rules and regulations must be consistent with Federal, State, and County laws, and with the Articles of Incorporation of the Club.
- B. Subject to the limitations of the Articles of Incorporation and of the General Nonprofit Corporation Law of the State of California, all corporate power shall be exercised by, or under the authority of, and the business and affairs of the Club shall be controlled by, the BOD. These powers shall include but not be limited to the following:
 - a. To appoint and remove all officers, and agents of the Club and to prescribe powers and duties for officers, and agents,

- b. To make such rules and regulations consistent with all laws and with the Articles of Incorporation and Bylaws,
- c. To adopt, make, and use a corporate seal and to alter the form of the seal from time to time as in their judgment they may deem best, provided the seal shall at all times comply with the provisions of law,
- d. To manage in the manner they may deem best all funds and property, received, acquire or earned by the Club, and to distribute or disperse them,
- e. To make and publish Club Operating Procedures, consistent with these Bylaws, to govern the operation and use of Club property

ARTICLE XII - OFFICERS AND THEIR ELECTION

- A. The Club may have such officers as may be appointed by the BOD. A person may hold two or more offices.
- B. Elections of the membership of the Club will be held to choose members of the BOD. The BOD may choose members of the BOD to fill a vacancy on a temporary basis until an election. The BOD will choose the officers of the Club.
- C. Any officer may resign, or may be removed with or without cause by the BOD, at any time. Vacancies caused by death, resignation, or removal of any officer may be filled by appointment by the BOD.

ARTICLE XIII - COMMITTEES

The BOD shall appoint all committees, which in their judgment shall be necessary for conducting the business of the Club.

ARTICLE XIV - DELEGATION OF AUTHORITY

The BOD may authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Club, and his or her authority may be general or confined to specific instances. Unless authorized in writing by the BOD, no officer, agent, or other person shall have any power or authority to bind the Club by any contract or engagement or to pledge its credit or to render it liable for any purpose or any amount.

ARTICLE XV - AMENDMENT OF BYLAWS

- A. The BOD may amend these Bylaws.
- B. The Club shall keep in its principal office the original or a copy of these Bylaws and Club Operating Procedures, which shall be open to inspection by the members.

ARTICLE XVI – FISCAL

- A. The fiscal year of the corporation shall be from January 1 to December 31.
- B. All funds under the control of the Club shall be deposited in a checking account in the name of HALF MOON BAY FLYING CLUB. At least two members of the BOD shall have signature authority to write checks on this account.

- C. All financial transactions of the Club shall be recorded in the Club ledger together with all relevant data of the transaction. The financial structure of the Club shall comprise the following accounts:
 - a. escrow account for each aircraft that is leased to the Club hereinafter called Club aircraft,
 - b. an account for each member of the Club,
 - c. a Club account
- D. Payments for the use of Club aircraft, dues and other payments shall comprise cash and checks made out to the Club. These payments shall be deposited in the Club checking account. The Ledger shall show the allocation of the money in the checking account to the various accounts within the Club financial structure.
- E. The money within the aircraft escrow accounts shall be managed by the Club as required in the lease agreements of the Club aircraft. This money shall belong to the owners of the Club aircraft, and it shall not be considered Club income or assets.
- F. The treasurer of the Club is authorized by the owners of the Club aircraft to pay expenses associated with the operation and maintenance of the aircraft from the money within the escrow account for that aircraft. Money of the escrow accounts in excess of a mutually agreed upon reserves shall be paid-out to the owners of the Club aircraft. The Treasurer shall provide to the owners of the Club aircraft a monthly statement that shows;
 - a. utilization of the aircraft,
 - b. revenue accruing from the utilization,
 - c. expenses for the month
 - d. balance of the account
- G. At the end of each month the Treasurer will close the month by entering all of the data for the month into the Ledger. The Treasurer will prepare the following statements:
 - a. statement of account of each escrow account of the Club aircraft,
 - b. statement of account of each member of the Club
 - c. Club income statement.
- H. In the event of liquidation of the Club, any money remaining after disbursement below will be divided evenly among the members in good standing at the time of the liquidation. The money within the Club checking account will be disbursed as follows:
 - a. to the owners of the Club aircraft according to the balances of the escrow accounts,
 - b. to pay Club expenses including those required to close the Club
 - c. to return money to the members of the Club with positive balances of their Club account.

ARTICLE XVII - NOTICE

The organization's newsletter or other means shall serve as the means of communicating and giving timely notice to the membership.

Jacques Rutschmann
President

Revision History;

Original - October 1, 1992
Revision 1 - January 15, 2006
Revision 2 - January 29, 2007
Revision 3 - June 1, 2007