

**THE POCONO MOUNTAINS FLYING CLUB BYLAWS  
AS OF JANUARY May 16 2014**

**ARTICLE 1 - Title and Organization**

The name of the Club is the Pocono Mountains Flying Club, Inc. The Club is a nonprofit Corporation organized under the laws of the Commonwealth of Pennsylvania and governed by the laws of the Commonwealth of Pennsylvania and these Bylaws.

**ARTICLE 2 - Purposes**

The purposes for which the Club is formed are:

1. To acquire, maintain or provide a flying field and quarters for the social enjoyment, recreation, education and meeting place of its members;
2. To create and promote an interest in aviation in all its phases;
3. To acquire, maintain and own a sufficient number of airplanes to teach its members to fly at a minimum cost;
4. To provide various types of single engine land aircraft for the purposes of providing training for all ratings obtainable in that type of aircraft and to provide aircraft for both cross country transportation and local "fun" flying;
5. As otherwise stated and provided for in the Articles of Incorporation.

**ARTICLE 3 - Offices**

**Section 1**

The registered office for the Corporation shall be at Pocono Mountain Municipal Airport. The address is:

Pocono Mountains Flying Club  
229 Rock Ridge Road  
Mount Pocono, Pennsylvania 18344-0000

**Section 2**

The Corporation may also have offices at such other places as the Board of Directors may from time to time appoint, or the activities of the Corporation may require.

**ARTICLE 4 - Seal**

The Corporation shall have no seal.

## **ARTICLE 5 - Membership**

### **Section 1**

Any American citizen or legal resident of good character, twelve (12) years of age or older, shall be eligible for membership. Any prospective member from the age of twelve (12) to seventeen (17) years inclusive must receive approval of parents and parents must personally guarantee payment of all Club dues, fees and assessments.

A person seeking membership shall be sponsored by an active member or an exceptional member in good standing who has been a member of the Club for at least one (1) year. The Board of Directors, after interviewing and evaluating an applicant, may act as a sponsor in the event an applicant is without a sponsor.

The prospective member's application for membership may be distributed to the membership (Sensitive information having been redacted) via email and questions about the applicant may be presented to the president. The applicant will be strongly encouraged to attend a meeting of the club at the applicant's earliest opportunity. Voting on the acceptance or rejection of the applicant shall be at least 10 days after the application is first distributed to the membership and the voting shall be via email to the election chair. The election chair shall define the period over which the voting may occur and will notify the membership via email regarding this period within 10 days of the receipt of the prospective member's application. Any voting member who chooses not to vote shall be considered a 'yes' vote. If  $\frac{3}{4}$  of the total votes submitted are in the affirmative the vote shall be deemed an acceptance of the member.

A new member may be elected by a three fourths ( $\frac{3}{4}$ ) vote of the members present at any regular meeting.

### **Section 2**

Each new member shall be on probation for six (6) months or twenty five (25) hours in Club aircraft, whichever first occurs. During the probation period the membership may revoke the membership of the new member. If membership is revoked during the probation period, the person whose membership is terminated shall be refunded the initiation (membership) fee less any amounts or financial obligation due the Club. If the membership does not act to revoke the membership, the new member shall automatically become an active member of the Club. A new member as defined in this paragraph may not revoke his/her own membership.

### **Section 3**

Membership shall be classified as Active, Inactive, Social, and Exceptional.

## **Section 4**

### **Active member definition and rights**

An active member in good standing is one who shall be tendered all privileges and benefits within the power of the Club to bestow. Active members in good standing may attend all Club and Board of Directors meetings and vote, except members may not vote at Board of Directors meetings or be present when credit reports are presented. Active members in good standing may use Club property, now or hereafter owned, subject to these Bylaws and the Rules and Regulations which may be made governing use of same. An active member is one who has paid the membership fee and is up to date (Not more than 60 days in arrears.) with dues payments and other payments.

## **Section 5**

### **Inactive member definition and rights**

An inactive member shall be considered as one who has been granted such status by the Board of Directors upon the member's written request for good cause shown. Only active members may request inactive status. An inactive member in good standing may be reinstated as an active member, in the discretion of the Board of Directors, upon written request and payment of six month's dues or dues for the number of months the member was inactive, whichever is less. An inactive member may attend meetings, and attend functions but does not have the right to vote, hold office or hold board positions, or schedule or fly aircraft, or make use of any other club facility. Inactive members may speak during the 'public comment' period of meetings.

## **Section 6**

### **Social member definition and rights**

A social member can attend meetings and all club functions. A social member shall have no voting privileges, cannot hold a club office or a board position, and may not schedule club aircraft. However they may attend meetings and speak during the 'public comment' period of the meeting. Upon board approval, the prospective member's name shall be presented via email to the membership. There shall be one reading of the application at the first membership meeting at which the applicant and the sponsor are present. The applicant shall not be present during the voting. No credit check is required for social membership. A social member may be accepted by a three-fourths (3/4) vote of the members present at any regular meeting.

Should a social member elect at a future time to become an active member, all applicable procedures in section 4 of this article shall apply. Initiation fees and dues currently in effect for a normal application shall apply.

## **Section 7**

### **Exceptional member definition and rights**

Under extraordinary circumstances, when it is deemed of high value to the club, an 'exceptional' membership may be granted. Initiation fees shall be waived and dues shall be set at \$0.00 per month for an exceptional member. Exceptional members shall have voting privileges, hold office or board position, but may not schedule club aircraft for personal use. All other active member privileges shall apply. The prospective exceptional member's application shall be presented for review by the board at a regular board meeting. Upon board approval, the applicant will have 'exceptional' membership

status. No credit check is required for an exceptional membership applicant. There shall be one reading of the application at the first membership meeting at which the applicant and the sponsor are present. The applicant shall not be present during the time of voting. An exceptional member may be accepted by a three-fourths (3/4) vote of the members present at any regular meeting. The status of an 'exceptional' member may be revoked by a majority vote at a regularly scheduled board meeting. Should an exceptional member elect at a future time to become an active member, all applicable procedures in Section 4 of this Article shall apply. Initiation fees and dues currently in effect for a normal application shall also apply

### **Section 7b**

The membership list as defined on 5/16/2014 identifies all those current members and their statuses and that list shall be maintained in the club's 'administrative binder' and are deemed to have satisfied all necessary conditions as stipulated by current and previous By Laws of this club. The administrative binder will be maintained by the club president and be made available to any club member at times convenient to all parties.

### **Section 8**

All members are required to have read the Pocono Mountains Flying Club, Inc.'s Bylaws and Rules and Regulations. Each member shall be given access of a copy of the above via the club's web site shall be required to sign for the Secretary a document acknowledging the review of the Bylaws and Rules and Regulations; that he or she agrees to be bound by their conditions and provisions, and that he or she has read or will read the information and understands the purpose and intent thereof. No member may fly in Club aircraft until this document is signed, dated and returned to the Secretary.

## **ARTICLE 6 - Meetings of Members**

### **Section 1**

There shall be one regular membership meeting each month, on the first Sunday of each month, unless changed by the membership at least one week in advance. Notice of the time and place of the meeting shall be given to the members at least two (2) days prior to the date of the meeting.

### **Section 2**

Special meetings may be held at any time upon the call of the President, or upon written request of four (5) members of the Club, provided the request specifies the objective of the meeting and it is deemed necessary by the Board of Directors. Notice of all special meetings shall be given to the members at least two (2) days prior to the date of the meeting.

### **Section 3**

A meeting of the members shall be one at which a quorum of members is present. A quorum shall be defined as: Twenty (20) percent of the active and exceptional club members at the time of the previous months billing, AND Seventy five (75) percent of the initial attendance at a meeting of the members.

### **Section 4**

The annual meeting of the Club shall be the regular November monthly meeting. At the annual meeting of the members, the members shall elect by ballot the Officers and Board of Directors as constituted by these Bylaws.

## **Section 5**

A majority vote of the members (Active and exceptional) present at a regular or special membership meeting is necessary for the adoption of any resolution requiring membership approval.

## **Section 6**

Robert's Rules of Order shall be the Parliamentary authority for the Club in all matters not covered in these bylaws.

## **ARTICLE 7 - Directors, Officers, Duties and Meetings**

### **Section 1**

The powers, business and property of the Club shall be exercised, conducted and controlled by a Board of Directors. The Board of Directors shall have five (5) members: four (4) members and the President.

### **Section 2**

The President shall be the Chief Executive Officer of the Club. He or she shall preside at all meetings of the Club and the Board of Directors. The President may call any special meeting of the members of the Board of Directors and shall have, subject to the advice and control of the Directors, general charge of the business of the Club, and shall execute with the Secretary, in the name of the Club, all contracts and instruments other than checks which have been first approved by the Board of Directors. The President shall have the power to appoint all standing committees and he or she shall be an ex officio member of all committees. The President may appoint assistants to Officers as the needs of the Club may require. The President shall perform all duties as shall appertain to the office of President.

### **Section 3**

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

### **Section 4**

The Secretary shall keep the minutes of all proceedings of the members and of the Board of Directors, including attendance and all roll call votes, in books provided for that purpose. The Secretary shall attend to the giving and serving of notices of all meetings of the members and of the Board of Directors and otherwise. He or she shall keep a proper membership book showing the name of each member of the Club, the book of Bylaws, and such other books and papers as the Board of Directors may direct. The Secretary shall execute with the President, in the name of the Club, all contracts and instruments which have been first approved by the Board of Directors. In the absence or disability of the Treasurer and under the direction of the President, the Secretary shall execute in the name of the Club, checks for expenditures authorized by the Board of Directors. The Secretary shall perform all duties incident to the office of the Secretary, as defined herein and elsewhere within these by laws, subject to the control of the Board of Directors and the control of the membership. The Secretary shall also perform such duties connected with the operation of the Club as he or she may undertake at the suggestion of the President.

### **Section 5**

The Treasurer shall sign in the name of the Club all checks for the expenditures authorized by the Board of Directors. He or she shall receive and deposit all funds of the Club in the bank selected by the Board of Directors, which funds shall be paid out only by check as hereinbefore provided. The Treasurer shall also account for all receipts, disbursements and balance on hand. The Treasurer will provide a monthly report of the financial status of the Club to the Board of Directors and the members. The Treasurer will inform the President if any members are delinquent and notify the President when such delinquency has been paid. The Treasurer shall perform all duties incident to the office of the Treasurer, as defined herein and elsewhere within these by laws, subject to the control of the Board of Directors and the control of the membership.

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

## **Section 6**

The Aircraft Maintenance Officer shall be responsible for obtaining maintenance for the Club aircraft, their equipment and log books of the aircraft. He or she shall be responsible for ensuring the club aircraft are maintained in proper operating condition, for obtaining all inspections, overhauls, and compliance with airworthiness directives for the aircraft. The Aircraft Maintenance Officer shall be responsible for all papers required to be carried in the aircraft are available and for ensuring the execution of all papers required upon the completion of inspections, overhauls, Airworthiness Directives and major repairs. The Aircraft Maintenance Officer shall be responsible for the cleanliness and airworthiness of the club aircraft. He or she shall also perform such duties connected with the operation of the Club as may be undertaken at the suggestion of the President. The Maintenance Officer may appoint Plane Captains for each of the club aircraft to assist him in his responsibilities as defined herein. The Plane Captains shall report to and have specific responsibilities defined by the Maintenance Officer. Plane captains and their assigned responsibilities shall be submitted to the Board for its concurrence.



## **Section 7**

Regular meetings of the Board of Directors shall be called at a time and place to be determined by the President.

## **Section 8**

Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of three (3) Directors.

## **Section 9**

Notice of special meetings of the Board of Directors stating the time and, in general terms, the purpose, shall be given to each Director not later than two (2) days before the day appointed for the meeting. If all Directors shall be present at any meeting, any business may be transacted without previous notice.

## **Section 10**

Three (3) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least a majority of the Directors present shall be necessary to pass any resolution or authorize any act of the Club.

## **Section 11**

The Board of Directors shall cause to be kept a complete record of all its acts and proceedings of its meetings and to present a full statement at the regular meeting of the members, showing in detail the condition of the affairs of the Club.

## **Section 12**

Subject to review and vote of the membership, 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.

## Section 13

The board of directors shall appoint an instructor as club Safety Officer. The term of the safety officer shall expire at the February board meeting each year. The safety officer may be reappointed. The board of directors may replace the safety officer by a majority vote at a board of directors meeting.

The safety officer shall have the responsibility to

- \* Oversee flight instruction
- \* Monitor safe operations
- \* Organize safety presentations at regular club meetings
- \* Perform other safety duties as directed by the board of directors

The safety officer shall have the authority to

- \* Grant instructor checkout privileges to club approved instructors, as appropriate
- \* Ground pilot members for unsafe actions
- \* Revoke instructing privileges from an instructor who has not upheld club safety standards
- \* Ground members and instructors who have not upheld established federal aviation standards
- \* Perform other duties as directed by the board of directors

All actions by the safety officer shall be considered actions by the board of directors.

The safety officer shall report to and advise the board of director on safety related matters. The safety officer will not have Board of Director voting privileges.

## **ARTICLE 8 - Election of Directors and Officers**

### **Section 1**

The Officers and Directors shall be elected by the membership at the November annual meeting of the members and shall hold office for twelve (12) months or until their successors are elected and installed. The Officers and Directors shall be installed at the January meeting. The President shall appoint a nominating committee at the September meeting which will present a list of candidates for Officers and Directors positions at the October meeting. At the October and November meetings nominations of candidates from the membership may be made. All nominees must agree to their nomination. The election of Officers and Directors shall be held at the November meeting.

The nominating committee shall be judge of and in charge of conducting the elections in accordance with these Bylaws.

Voting shall be by written secret ballot, either in person or by absentee ballot.

### **Section 2**

Elections shall be conducted by casting separate ballots for each officer's position. Any unsuccessful candidate, if nominated, may run for the then available offices or Board of Directors position. The board of directors shall be elected by casting a single ballot for all positions on the Board of Directors. The four candidates who accrue the most votes shall be elected. No member may be elected to serve in more than one position. Nominations for each position shall remain open until nominations have been closed prior to voting for that position.

### **Section 3**

The nominating committee shall post its slate of candidates for Officers and Directors along with a list of candidates nominated from the membership at the October meeting in the clubhouse no later than the third Wednesday in October. The list of candidates for Officers and Directors shall be emailed to the members prior to the November meeting by the chair of the nominating committee.

The nominating committee shall prepare and make available at the clubhouse absentee ballots by the third Wednesday in October. Any member wishing to vote by absentee ballot may do so by contacting any member of the nominating committee and securing an individual absentee ballot code number. The absentee ballots may then be cast by the member by depositing the ballots in a ballot box in the clubhouse. The deadline for casting absentee ballots shall be two (2) hours prior to the November membership meeting.

The nominating committee shall develop and prepare the absentee ballots so as to maintain, to the extent possible, the secrecy of the ballot and the opportunity to vote for all positions. The form of the absentee ballot shall not be such as to enable an absentee voter to exercise any voting privileges greater than those members who attend and vote in person at the November meeting.

#### **Section 4**

In order to be elected to a position a candidate must receive the greatest number of votes cast. In the event two or more candidates receive an equal number of votes a runoff election involving only those candidates shall be held. Absentee ballots originally cast for runoff candidates shall be again counted in the runoff election. Runoff elections shall be held until a candidate is elected.

#### **Section 5**

In case of a vacancy, the membership shall fill such vacancy by an election to be held, after notice to the membership, at the next regular meeting of the members. Such newly elected Officer or Director shall serve the unexpired term of his or her predecessor. Absentee ballot voting shall not be required for an election to fill a vacancy.

#### **Section 6**

An Officer of the club or may be removed by an affirmative vote of two thirds (2/3) of the members present at a regular or special meeting of the members. A Director of the club may be removed by an affirmative vote of two thirds (or 3 members) of the board at a regular or special meeting of the board of directors.

## **ARTICLE 9 - Fees, Dues, Hourly Rates and Member Payments**

### **Section 1**

The Board of Directors shall establish the amount of the initiation fee, dues and hourly aircraft rates for recommendation to and approval by the membership.

### **Section 2**

Each member shall be assessed monthly dues in an amount as determined in accordance with Section 1 of this Article; said dues to be payable one (1) month in advance, due on a date to be determined by the Board of Directors.

### **Section 3**

The hourly aircraft rates, and the effective dates for such rates, shall be posted in the clubhouse quarters and at hangars at the MPO Airport and notice shall also be given to the members by email. Members will be billed for their accumulated flight hours, based on hobbs readings, on a monthly basis. Members will be billed each month for their accumulated hours for the previous month.

### **Section 5**

All dues, hourly aircraft rate charges or any other sums due the Club shall be paid in full when due; said monthly due date to be determined by the Board of Directors. Any member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the Club within thirty (30) days of when said sums are due, shall be considered a delinquent member and shall be automatically grounded from flying the Club aircraft until all delinquent and current dues and hourly charges are paid in full. Whenever any member shall become delinquent in the payment of his or her financial obligations, the Treasurer shall immediately notify said member of the delinquency and that he or she is grounded from flying the Club aircraft. In the event any sums remain unpaid thirty(30) days beyond notice of delinquency and grounding, membership shall be automatically made inactive unless suitable arrangements are made with the Board of Directors for payment of the delinquent amounts.

## **ARTICLE 10 - Club Finances**

### **Section 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 Board of Directors or Club membership.

### **Section 2**

Individual members may purchase for Club aircraft gas and oil. Individual members will be reimbursed for gas and oil charges or a credit given to the member's monthly account. Individual members will be reimbursed for any personal expenditures not in excess of \$100 when such expenditures are for Club aircraft repairs or maintenance necessary to safely complete a trip back to MPO Airport. Personal expenditures in excess of \$100, but not to exceed \$500, may be made if the member first secures the approval of the Aircraft Maintenance Officer or any other Officer in the event the Aircraft Maintenance Officer cannot be contacted.

If a club aircraft is disabled away from the MPO Airport, the club member shall first make reasonable efforts to contact the aircraft maintenance officer, or if unable, to contact the president in order to advise of the problem. If the club member determines that by remaining with the aircraft he would incur unreasonable inconvenience or expense, the member may leave the plane and return home at his own expense. If it becomes necessary for the member to leave the plane, he shall be responsible for safely securing the plane and, if possible, advising the maintenance officer, or president, of his actions before leaving the plane. If it should be determined that the aircraft was disabled through no fault of the club member, it shall be the responsibility of the club to pay for all further expenses associated with the safe keeping, repair and return of the plane to MPO Airport. If, however, it should be determined that the plane was disabled to the fault of the club member, the member may be financially liable to the club as set forth in Article 12.

### **Section 3**

The Aircraft Maintenance Officer may authorize expenditures or otherwise incur financial obligations for repairs to Club aircraft and equipment in an amount up to \$2000 without seeking approval from the Club membership. However, whenever practical, the Aircraft Maintenance Officer must secure the approval of the Board of Directors for such expenditures. Further, the Aircraft Maintenance Officer must consult with the Treasurer before authorizing any work to determine whether there are sufficient funds to pay for the work.

#### **Section 4**

The Board of Directors may authorize expenditures or otherwise incur financial obligations in the name of the Club for all normal operating costs. A majority of the Board of Directors can approve spending of up to \$3000.

#### **Section 5**

The Treasurer shall be authorized to issue checks or otherwise expend Club funds in payment of all financial obligations incurred by the Club which are consistent with these Bylaws.

#### **Section 6**

A change to the club aircraft fleet is defined as adding or removing a plane that the club members may use. Such a plane may be owned, leased, or rented by the flying club. If a change in the club aircraft fleet is to be made, the following steps shall be followed:

- a) Any change to the club aircraft fleet must be approved at any two meetings over a three-month period by a majority of the club members attending each meeting.
- b) The method for selecting a change in fleet must be approved at any two meetings over a three-month period by a majority of the club members attending each meeting. (This method may be approved simultaneously with the decision to change the club fleet.) The club may approve a specific airplane for the fleet change. Alternatively, the club may approve a make and model, with the exact plane for the change in fleet to be selected by one of the following methods:
  1. the club membership at a regular or special club meeting, or
  2. a committee of at least 5 active or exceptional club members, some or all of whom may be members of the board of directors, or
  3. the board of directors.

The club membership may allocate funds to cover or partially cover members' out-of-pocket expenses related to changing the club fleet.

Any upgrade to a specific plane's capabilities or equipment which costs in excess of \$3000 shall be approved at any two meetings over a three-month period by a majority of the club members attending each meeting. Examples of such items include (but are not limited to) painting and avionics upgrades.

General maintenance items or any replacement-in-kind shall not require votes at two meetings, even if the cost exceeds \$3000. Approval of these funds shall follow the other bylaws, rules, and regulations of the club. Specific examples of such items include (but are not limited to) engine replacements, annual inspection costs, propeller overhauls, or any repair that restores an existing capability. A radio replacement, which merely restores the general capabilities with minor upgrades, shall be considered a general maintenance item, and does not need approval at two meetings.

## **ARTICLE 11 - Rules and Regulations**

The Board of Directors shall develop, or cause to be developed, a set of Rules and Regulations, subject to review and vote of the membership. These Rules and Regulations will be posted at the clubhouse quarters, or the Club aircraft hangars, and available to the members from the Secretary.



## ARTICLE 12 - Violations, Accident/Incident Investigation, Financial Responsibility, Sanctions and Board of Director Hearings

### **Section 1**

Any violation of these Bylaws or the Club's Rules and Regulations or of any federal, state or local statutes, ordinances and regulations relating to the operation of aircraft may result in the imposition of sanctions in the form of restitution, fines, suspension, grounding, restrictions on use of Club aircraft and equipment or termination of membership.

### **Section 2**

The Board of Directors shall be authorized to impose any and all sanctions, subject to review of the membership, and to recommend the termination of membership to the membership.

### **Section 3**

Any aircraft accident/incident involving aircraft or equipment belonging to the Club will be investigated by the Board of Directors. All accidents involving aircraft moving under power would require that two instructors be included in the investigation. The Board of Directors shall take all necessary steps to ascertain the facts, conditions and circumstances relating to the accident/incident; shall arrive at conclusions regarding the probable cause and the responsibility for the accident/incident; and shall determine whether to impose financial responsibility or other sanctions on the member or members involved in the accident/incident.

### **Section 4**

The Board of Directors shall conduct a hearing for alleged violations, accident/incident investigations and the imposition of financial responsibility. Any member who is charged with a violation or who is alleged to be involved in an accident/incident shall be given at least ten (10) days written notice of the nature of the charges and/or accident/incident investigation, and the date, time and place for the hearing before the Board of Directors. If the seriousness of the situation warrants, the Board may immediately ground the charged member pending the Board of Directors hearing. The member summoned before the Board of Directors may appear in person or by counsel and shall have the right to be heard and to present evidence on his or her behalf. After the hearing, the Board of Directors shall deliberate and vote on whether to impose sanctions and/or financial responsibility and/or recommend membership termination. If the Board of Directors votes to recommend membership termination, the Secretary shall proceed to present the Board's recommendation to the membership following the procedure set forth in Article 13 of these Bylaws. Any member affected by a decision of the Board of Directors may choose to have such decision reviewed by the membership by requesting the secretary to schedule a membership review hearing pursuant to Article 13 of these Bylaws. The Board of Directors shall promptly notify the affected member of its decision.

## **Section 5**

The amount of financial responsibility which the Board of Directors may impose on any one member, or group of members if more than one member is involved, for any one accident/incident shall not exceed a total amount of \$250. If insurance coverage is not available for reasons related to the accident/incident in question, the Board of Directors may impose financial liability on any member in any amount it believes just and proper under the circumstances, provided, however, that said amount shall not exceed the fair and reasonable value of the aircraft, equipment, or property, whichever is less.

The Board of Directors may also impose financial responsibility in the amount of the fair and reasonable cost and expense necessary for the protection, safekeeping and return of the aircraft to the MPO Airport.

Disputes between members involving claims of alleged financial responsibility for loss of use of aircraft or equipment shall not be presented to the Club for adjudication.

## **Section 6**

All financial obligations imposed on any member shall be satisfied within thirty (30) days of written notice. Otherwise, the member will be deemed a delinquent member and subject to grounding and membership termination as provided for by Article 9 of these Bylaws. Nothing contained in this Article 12 shall prevent the automatic termination of membership for any member who is delinquent in the payment of his or her financial obligations as provided for in Article 9 of these Bylaws. Nothing contained in this Article 12 shall prevent the termination of the membership of a member during the probation period as provided for in Article 5 of these Bylaws.

## **Section 7**

All sanctions imposed by the Board of Directors shall be effective upon notification and shall remain in effect unless modified by the membership pursuant to Article 13 of these Bylaws.

### ARTICLE 13 - Membership Review Hearings

Any member subjected to the imposition of sanctions and/or financial responsibility by a decision of the Board of Directors may choose to have such decision reviewed by the membership by requesting the Secretary to schedule a membership review hearing; except, that a request for a membership review hearing is not necessary in those cases where the Board of Directors has decided to recommend the termination of membership. In such cases, the Board of Directors will schedule a membership review hearing. In all other cases, a request for a membership review hearing must be made within ten (10) days after notification of the decision of the Board of Directors.

If a membership review hearing is requested or required, the Board of Directors shall schedule the hearing for the first available regular monthly membership meeting, or schedule a special membership meeting, and publish notice of the subject of the hearing and the decision of the Board of Directors to the membership at least three (3) days before the hearing. At the membership review hearing the Board of Directors shall inform the membership of its findings and decision and the subject member shall have the right, either personally or through counsel, to be heard and present evidence on his or her behalf. Thereafter, the membership, except for the subject member, shall vote by a secret ballot whether to affirm the decision or recommendation of the Board of Directors. A majority vote of the members present at the meeting shall be required in order to reverse a decision of the Board of Directors; except that a vote of two thirds of the members present at the meeting shall be required in order to terminate membership.

If the membership should fail to affirm the decision or recommendation of the Board of Directors, the membership may nevertheless vote to impose greater or lesser sanction than those imposed by the Board of Directors; provided that they do not exceed the maximum sanction which the Board of Directors could have imposed. A vote of a majority of the members present at the meeting shall be required in order to impose any sanctions; except, that a vote of two thirds of the members present at the meeting shall be required in order to terminate the membership of a member.

## **ARTICLE 14 - Surplus**

The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club's treasury for the purpose of new equipment, for engine overhaul, or for contingencies. The net savings in any event shall not be distributed to the members for their individual use.

## **ARTICLE 15 - Fiscal Year**

### **Section 1**

The fiscal year of the Club shall end on the last day of December of each year.

### **Section 2**

An auditing committee, comprised of three (3) members in good standing and who are not Officers or Directors, shall be appointed by the President, subject to the approval of the Club, at the December meeting for the purpose of auditing the books and records of the Treasurer. The auditing committee will present its audit report to the members no later than the March meeting of the following year.

## **ARTICLE 16 - Amendments**

These Bylaws may be repealed or amended or new Bylaws adopted at a meeting of the members called for that purpose or at any regular meeting of the members by the affirmative vote of two thirds (2/3) of the members present at the meeting; provided, however, that any change in the Bylaws thereto be submitted in writing at one regular meeting prior to the meeting of adoption and provided, also, that the changes be available at a place designated by the Board of Directors for review during the month prior to the meeting of adoption.

**ARTICLE 17 - Limitation of Personal Liability of Directors; Indemnification of Directors,  
Officers and Other Authorized Representatives**

**Section 1**

Limitation of Personal Liability of Directors

A director of the corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

- a. the director has breached or failed to perform the duties of his or her office as defined in Section 2 below; and
- b. the breach or failure to perform constitutes self dealing, willful misconduct or recklessness.

The provisions of this Section shall not apply to (a) the responsibility or liability of a director pursuant to any criminal statute; or (b) the liability of a director for the payment of taxes pursuant to local, state or federal law.

**Section 2**

Standard of Care and Justifiable Reliance

(a) A director of the corporation shall stand in a fiduciary relationship to the corporation, and shall perform his or her duties as a director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- i. One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented;
- ii. Counsel, public accountants or other persons as to matters which the director reasonably believes to be within the professional or expert competence of such person;
- iii. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

(b) In discharging the duties of their respective positions, the Board, committees of the Board and individual director may, in considering the best interests of the corporation, consider the effects of any action upon employees, upon persons with whom the corporation has business and other relations and upon communities which the offices or other establishments of or related to the corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a

violation of this Section.

(c) Absent breach of fiduciary duty, lack of good faith or self dealing, actions taken as a director or any failure to take any action shall be presumed to be in the best interest of the corporation.

### **Section 3**

#### **Indemnification in Third Party Proceedings**

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a representative of the corporation, or is or was serving at the request of the corporation as a representative for another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea or nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

### **Section 4**

#### **Indemnification in Derivative Actions**

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the corporation, or is or was serving at the request of the corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation unless and only to the extent that the Court of Common Pleas of Monroe County or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas or such other court shall deem proper.

### **Section 5**

#### **Mandatory Indemnification**



Notwithstanding any contrary provision of articles or these by laws, to the extent that a representative of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in either Section 3 or Section 4 of this Article, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

### **Section 6**

#### Determination of Entitlement to Indemnification

Unless ordered by a court, any indemnification under Section 3 or Section 4 of this Article shall be made by the corporation only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he or she has met the application standard of conduct set forth in such paragraph, Such determination shall be made:

- a. by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or
- b. if such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

### **Section 7**

#### Advancing Expenses

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

### **Section 8**

#### Indemnification of Former Representatives

Each such indemnity may continue as to a person who has ceased to be a representative of the corporation and may inure to the benefit of the heirs, executors and administrators of such person.

### **Section 9**

#### Insurance

The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's statute as such, whether

or not the corporation would otherwise have the power to indemnify such person against such liability.

**Section 10**  
Reliance on Provisions

Each person who shall act as an authorized representative of the corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this article.

**Section 11**

Dissolution

Upon the event of the dissolution of the club, and all assets being sold or disposed of, the balance of the club's funds shall be distributed equally to its active members after payment of all bills, taxes, return of charter membership fees if requested by the charter members, positive member balances and any other fees incurred during the dissolution.