

**ARTICLES OF INCORPORATION
OF
THOROUGHBRED FLYING CLUB, INC.**

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Alison Lundergan Grimes Kentucky Secretary of State	
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Article I

The name of this corporation is the Thoroughbred Flying Club, Inc., hereinafter referred to as the "Club."

Article 2

2.1 The Club is organized exclusively for pleasure, recreation, and other nonprofitable purposes under Section 501(c) (7) of the Internal Revenue Code of 1986, as amended ("IRC"), or corresponding section of any future tax code, and under Chapter 273 of the Kentucky Revised Statutes ("KRS Chapter 273").

2.2 The Club may exercise any and all powers possessed by nonstock, nonprofit corporations formed under KRS Chapter 273, but the Club shall not engage in activities which are impermissible for a corporation exempt from federal income tax under IRC § 501(c)(7). In particular, the Club may:

- a. Own or lease and maintain one or more aircraft for the education, transportation, and general use of the members of the Club or their families or such individuals as the Board of Directors may designate pursuant to any Bylaws which may hereafter be adopted;
- b. Acquire, own, hold, sell, lease, pledge, mortgage or otherwise dispose of any property, real or personal, necessary to the operation of the Club;
- c. Borrow money, contract debts, make contracts and to exercise any and all other powers as a natural person could lawfully make, do, perform, or exercise which may be necessary, convenient or expedient for the accomplishment of any of its objects or purposes, providing the same be not inconsistent with the laws of the Commonwealth of Kentucky, and to that end, enumeration of such shall not be deemed inclusive.

2.3 The Club shall have no capital stock and no power to issue certificates for shares of capital stock or to declare dividends. No part of the net earnings of the Club shall inure to the benefit of, or be distributable to, its directors or officers or other private persons, except that the Club shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 2.1 above.

2.4 No substantial part of the activities of the Club shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Article 3

The street address of the Club's initial office in Kentucky is Hanger 5, Bowman Field, 2800 Moran Avenue, Louisville, Kentucky, and the name of the registered agent at that office is James M. Spurgeon.

Article 4

The mailing address of the Club's principal office is 10629 Gleneagle Place, Louisville, Kentucky 40223.

Article 5

5.1 The number of directors constituting the initial board of directors is three. No more than five directors shall serve on the board. The names and mailing addresses of the persons who are to serve as the initial board of directors are as follows:

<u>Name</u>	<u>Address</u>
James M. Spurgeon	10629 Gleneagle Place Louisville, KY 40223
Stephen A. Whalen	6010 Waterfall Way Prospect, KY 40059
Florian C. Kapp	4705 Chelsea Meadow Way La Grange, KY 40031

5.2 The duly elected directors shall conduct the affairs of the Corporation. The directors may elect an Executive Committee or any other committee to conduct day-to-day business in accordance with its bylaws.

5.3 The Corporation shall have members. Membership in the Club shall be open to pilots and their families who wish to be a part of a group of fellow pilots to further build relationships in the flying community, share a love of flying, and promote aviation in the community, as set forth in the Bylaws. New Members may be admitted to the Club only after approval by a majority of the Directors and payment of membership fees. The number of members may not exceed 24 members per aircraft owned or leased by the Club. Additional classes of membership may be established by the Directors as set forth in the Bylaws.

5.4 Any director may be removed from the Board of Directors, with or without cause, by the affirmative vote of a majority of the directors. Any director who resigns or is removed from the Board of Directors may be replaced with a new director elected in accordance with the bylaws.

5.5 The Board of Directors will adopt Bylaws not inconsistent with the provisions of these Articles of Incorporation or with the laws of the Commonwealth of Kentucky. Adoption of Bylaws and subsequent amendments thereof or hereof shall be effective upon the affirmative vote of a majority of the members of the Board of Directors at a meeting duly called for that purpose.

Article 6

6.1 No current or former director, officer, employee, attorney or agent of the Club shall be personally liable as such on the Club's obligations or to the Club for monetary damages for breach of his duties on the Club's behalf except for liability for (a) any transaction in which the individual's personal financial interest is in conflict with the financial interests of the Club, (b) acts or omissions not in good faith or which involve intentional misconduct or are known to the individual to be a violation of law, or (c) any transaction from which the individual derives an improper personal benefit. If KRS Chapter 273 is subsequently amended to authorize corporate action further eliminating or limiting the personal liability of such individuals, then the liability of such individuals shall be deemed to be eliminated or limited by this provision to the fullest extent then permitted by KRS Chapter 273, as so amended, without the necessity for further action by the Board of Directors. Any repeal of this Article 6 shall not adversely affect any right of a current or former director, officer, employee, attorney or agent hereunder in respect of any act or omission occurring prior to the time of such repeal or modification.

6.2 Each person who is or was a director, officer, employee, attorney or agent (each, an "Indemnified Person" and collectively, the "Indemnified Persons") of the Club, whether elected or appointed, and each person who is or was serving at the request of the Club as an Indemnified Person of another Club, whether elected or appointed, including the heirs, executors, administrators or estate of any such Indemnified Person, shall be indemnified by the Club to the full amount against any liability and the reasonable cost or expense (including attorney fees, monetary or other judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) incurred by such Indemnified Person in such Indemnified Person's capacity as a director, officer, employee, attorney or agent, or arising out of such Indemnified Person's status as a director, officer, employee, agent or attorney, provided, however, no such Indemnified Person shall be indemnified against any such liability, cost or expense incurred in connection with any action, suit or proceeding in which such Indemnified Person shall have been adjudged liable on the basis that personal benefit was improperly received by such Indemnified Person or if such indemnification would be prohibited by law. Such right of indemnification shall be a contract right and shall include the right to be paid by the Club the reasonable expenses incurred in defending any threatened or pending action, suit or proceeding in advance of its final disposition; provided, however, that such advance payment of expenses shall be made only after

delivery to the Club of an undertaking by or on behalf of such Indemnified Person to repay all amounts so advanced if it shall be determined that such person is not entitled to such indemnification. Any repeal or modification of this Article 6 shall not affect any rights or obligations then existing. If any indemnification payment required by this Article 6 is not paid by the Club within 90 days after a written claim has been received by the Club, the Indemnified Person may at any time thereafter bring suit against the Club to recover the unpaid amount and, if successful in whole or in part, such Indemnified Person shall be entitled to be paid also the expense of prosecuting such claim. The Club may maintain insurance, at its own expense, to protect itself and any such Indemnified Person against any such liability, cost or expense, whether or not the Club would have the power to indemnify such person against such liability, cost or expense under KRS Chapter 273 or under this Article 6, but it shall not be obligated to do so. The indemnification provided by this Article 6 shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or board of directors, or otherwise. If this Article 6 or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Club shall nevertheless indemnify each such person to the full extent permitted by any applicable portion of this article that shall not have been invalidated or by any other applicable law.

Article 7

The name and address of the incorporator is: FBT LLC Lexington, 250 W. Main Street, Suite 2800, Lexington, Kentucky 40507.

Article 8

In the event of the dissolution of the Club, or in the event it shall cease to carry out the objects and purposes herein set forth, all the business, property, and assets of the Club shall be distributed:

- a. First, to general creditors of the Club, including those holding long term loans to the Club which will be paid back with interest to date;
- b. Second, to Club members proportional to and not exceeding the amount of their Share Fee, without interest.
- c. Last, to such non-profit charitable corporations, municipal corporations, or organizations, as may be selected by the board of directors of this corporation so that the business properties and assets of this corporation shall then be used for, and devoted to, the purposes of carrying on nonprofit aviation, and aviation safety, education. In no way shall any of the assets or property of this corporation, or the proceeds of any of the assets or property, in the event of dissolution, go or be

distributed to members (except as stated in (b) above), either for the reimbursement of any sums subscribed, donated, or contributed by such members, or for any other such purpose, it being the intent in the event of the dissolution of this corporation, or upon its ceasing to carry out the object and purposes herein set forth, that the property and assets then owned by the corporation shall be devoted to nonprofit charitable purpose for aviation related charities as the Board decides.

Executed by the incorporator on July 10, 2017.

FBT LLC Lexington, as Incorporator

By 

Sherri Robinson, Manager