

Gulf Coast Regional Flying Club

By-Laws

ARTICLE I – PURPOSE

1. The purpose of this Club is to provide aviation-related education and social activities, as well as safe, reliable aircraft at reasonable rental rates to members of the club.

ARTICLE II – MEETINGS OF MEMBERS

1. All meetings of the Members, except as herein otherwise provided, shall be held at a time and place determined by the President.

2. The annual meeting of the Club shall be held during the month of February at a time and place determined by the Board of Directors.

3. Notice of the annual meetings of the Members shall be given by written notice mailed to each Member at his/her last known place of business or residence or to their last known e-mail address at least ten days before such annual meeting.

4. Special meetings of the Members may be held at a time and place determined by the President, or may be called by a majority of the Directors or by written petition of at least five Members. It is the duty of the Secretary to call such meetings within thirty days after such demand.

5. Notice of special meetings of Members, stating the time, place and in general terms the purpose thereof, shall be given in a like manner as the notice required for the regular annual meetings. However if all Members are present at any gathering, any business may be transacted without previous notice.

6. At any meeting of the Members, a quorum shall consist of one-third of the Members who are in good standing.

7. The President, or in his/her absence the Vice President, or in the absence of the President and Vice President, a Chairman elected by the Members present shall call the meeting of the Members to order and shall act as the presiding officer.

8. At the annual meeting of the Members, the Members shall elect a Board of Directors and the Executive Officers, all of which take office March 1.

9. At every meeting of the Members, each Member shall have only one vote. Votes cast by mail will be accepted provided they are received by the Secretary prior to the meeting when the vote is to be taken. Proxy votes, via regular mail, e-mail, or facsimile, will be accepted up through the day of the meeting.

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10. A majority vote of the Members present is necessary for the adoption of any resolution and for the election of a Member to the Board of Directors.

11. Parliamentary procedures will be followed and minutes will be kept at all meetings.

ARTICLE III – DIRECTORS

1. The powers, business and property of the Club shall be exercised, conducted and controlled by a Board of Directors of three Members.

2. Each Director shall be elected annually from the Membership of the Club at the regular meeting of the Members.

3. In case of a vacancy in the Board, the remaining Directors shall fill such vacancy by appointment from the Club Membership. If two (2) or more vacancies occur at any one time, they shall be filled by vote of the Members at a meeting duly called.

4. At the annual meeting of Members, the newly elected Board of Directors and all Members either in attendance or represented by proxy, shall elect a President, Vice President, Secretary, Treasurer, and Aircraft Maintenance officers by simple majority vote.

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

6. Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of two (2) Directors.

7. Notice of special meetings of the Board of Directors stating the time and, in general terms, the purpose shall be mailed or personally given to each Director not later than three 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.

8. Two (2) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least two (2) Directors shall be necessary to pass any resolution or authorize any act of the Club.

9. Each Member of the Board of Directors shall serve without any compensation or reward, except as otherwise provided in these by-laws.

10. 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.

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11. The Board of Directors may assign to any Member any duty or office which the Board deems appropriate and necessary to the conduct of the Club and which is not otherwise expressly provided for in these by-laws.

12. The Board of Directors may engage salaried personnel from outside the Club Membership to perform such services on behalf of the Club as the Board deems appropriate and necessary.

13. 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.

ARTICLE IV – OFFICERS

1. The Executive office of the Club shall have a President, Vice President, Secretary, Treasurer and Aircraft Maintenance Officers.

2. The President, Vice-President, Secretary, Treasurer and Aircraft Maintenance officers shall be elected by the Board of Directors from their own number at the first meeting after organization of the corporation, and thereafter at each regular annual meeting of the Members by a simple majority vote of the members present or represented by proxy, and shall hold office for twelve (12) months and until their successors are elected and qualified.

ARTICLE V – PRESIDENT

1. The President shall be the Chief Executive Officer of the Club. He/she shall preside at all meetings of the Club and the Board of Directors. He/she may call any special meeting of the Members or 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 certificates of Membership, contracts and instruments other than checks which have been first approved by the Board of Directors.

2. The President may sign checks executed in the name of the Club.

3. The President shall be responsible to the Board of Directors for the operation of the Club.

4. He/she shall make and enforce decisions regarding the suitability of all equipment and the qualifications of all Members for each type of flight operation. He/she shall recommend for approval to the Board of Directors all operational rules of the Club and shall report with recommendation all violations of such rules by any Member of the Club.

ARTICLE VI – VICE-PRESIDENT

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1. 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.

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

ARTICLE VII – SECRETARY

1. The Secretary shall keep the minutes of all proceedings of the Members and of the Board of Directors in books provided for that purpose. He/she shall attend to the giving and serving of notices of all meetings of the Members and of the Board of Directors and otherwise. He/she shall keep a proper Membership book showing the name of each Member of the Club, the book of by-laws, the Club Seal, if any, and such other books and papers as the Board of Directors may direct. He/she shall execute with the President, in the name of the Club, all certificates of Membership, 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 he/she shall execute in the name of the Club checks for expenditures authorized by the Board of Directors.

2. The Secretary shall perform all duties incident to the Office of the Secretary, subject to the control of the Board of Directors.

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

ARTICLE VIII – TREASURER

1. The Treasurer may sign, in the name of the Club, all checks for the expenditures authorized by the Board of Directors. He/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. He/she shall also account for all receipts, disbursements and balance on-hand.

2. The Treasurer will provide a quarterly report of the financial status of the Club to the Board of Directors and an annual report to every Member. Quarterly reports will be available to the Membership on request.

3. The Treasurer will inform the President each month if any Members are delinquent and notify him of such delinquency plus any fines that have been paid.

4. The Treasurer shall perform all duties incident to the officer of the Treasurer, subject to the control of the Board of Directors.

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

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ARTICLE IX – AIRCRAFT MAINTENANCE OFFICER(S)

1. The Aircraft Maintenance Officer(s) shall be responsible for maintaining current information in the logbooks of the aircraft.
2. The Aircraft Maintenance Officer(s) shall be responsible for arranging for maintenance of the aircraft in proper operating condition, by or under the supervision of a properly certificated aircraft and powerplant mechanic, and for obtaining all inspections, major overhauls and for compliance with all service bulletins for the aircraft.
3. The Aircraft Maintenance Officer(s) shall be responsible for all papers required to be carried in the aircraft and for the execution of all papers required upon the completion of inspections and major repairs.

ARTICLE X – VACANCIES

1. If any office, other than that of President, becomes vacant for any reason, the President shall appoint an interim successor until such time as the Board of Directors shall elect a successor from the Membership who shall hold office for the unexpired term. If the office of President becomes vacant, the Vice-President shall become President and the Board of Directors shall elect a new Vice-President from the Membership.

ARTICLE XI – SAFETY BOARD

1. A Safety Board may be designated by the Board of Directors for each aircraft accident involving either a Member of the Club or any equipment belonging to the Club, providing such accident resulted in damage to equipment.
2. The Safety Board shall consist of three (3) Members of the Club who were not involved in the accident.
3. The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances of the accident; shall arrive at conclusions regarding the probable cause and the responsibility for said accident; and shall make known to the Board of Directors, and to all parties involved in the accident, its findings in the form of a written report.

ARTICLE XII – HEARINGS

1. The Board of Directors, upon receipt of the findings of the Safety Board shall offer to all parties involved in the accident the opportunity of a hearing. After the hearing, or if such hearing is waived by all the parties involved in the accident, the Board of Directors shall decide the financial responsibility. The decision of the Board of Directors shall be final.

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2. The Board of Directors shall not impose financial responsibility on any one Member in excess of TWO THOUSAND DOLLARS (\$2,000.00) for any one accident, unless the damage results from a violation which is not covered by insurance carried on the aircraft, then the party responsible for the damage shall be liable for the full amount. Recommendation of the Board should be approved by recorded vote of two-thirds (2/3) majority of all Club Members.

3. All financial obligations imposed on any Member as a result of the decision of the Board of Directors shall be satisfied within thirty (30) days of written notice. Otherwise, in the case of a Member, all unsatisfied monies may be deducted from the Membership fee, the remainder of which shall be returned to the Member with a cancellation of Membership in the Club.

ARTICLE XIII – MEMBERSHIP

FULL MEMBER

1. Full Members may be admitted to the Club only after being approved by the Board of Directors or Officers of the Club (e.g., President, Vice President). A limit as to the number of members in each Tier may be set by the board.
2. Each Full Member will be assessed monthly dues as determined by the board of directors.
3. A Full Member may withdraw from the Club upon 30 days' advance written notification to the Secretary.
4. A Full Member may be expelled by two-thirds (2/3) of all Members voting at any regular or special meeting of the Members. Ten (10) days' notice shall be given to each Member who shall have the right to be heard either in person or by counsel at a meeting of the Club called for this purpose. A Member so expelled shall receive from the Club a sum equal to his/her deposit less any monies, dues, or fines owing to the Club.
5. A Full Member may be put on restriction from use of the aircraft if the money, dues, or fines owed the club exceeds his/her deposit. When the member pays the money owed his/her privileges will be restored.
6. In the event of the death of a Full Member, the Club shall refund to his/her estate the deposit less any money, dues or fines owed by the deceased member.
7. There are three tiers of membership to recognize the differences in costs of the aircraft. As aircraft are added to the fleet, the board will decide in which tier an aircraft belongs. A member who elects to be in Tier 1 will pay a higher monthly fee and will have use of all aircraft in the fleet. A member who elects to be in Tier 2 will pay a lower fee and will have access to aircraft in Tier 2 and Tier 3. A member who elects to be in Tier 3 will pay the lowest fee and will only have access to aircraft in Tier 3.
 - a. Tier 1 aircraft are generally aircraft that cost over \$250,000
 - b. Tier 2 aircraft are generally aircraft that cost less than \$200,000 but more than \$100,000
 - c. Tier 3 aircraft are generally aircraft that cost less than \$75,000

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ASSOCIATE MEMBER

1. The purpose of an Associate Membership is to provide qualified instructors for members, social membership for non-pilots, and to maintain connection with members who have lost their medicals. Associate Members do not pay an initiation fee or monthly dues.
2. Associate Members must be approved by the Board of Directors.
3. Associate Members do not have a vote and may be expelled at any time at the discretion of a majority vote of the officers.
4. Associate Members will comply with Club Operating Rules and be responsible for the entire deductible portion of the insurance coverage in case of negligent operation of the aircraft. They may be responsible for the entire loss incurred when acting as pilot in command should their negligence cause the insurance to be inapplicable.

ARTICLE XIV – MEMBER PAYMENTS

1. **Initiation Fees:** A person approved by the Board as provided for in these by-laws shall be deemed a Member upon payment of an initiation fee, if any, as determined by the Board. The initiation fee is refundable on a pro rata basis for five years. After the first full year, 20% will be refunded, and an additional 20% for each subsequent year. For cases where the member must drop out for reasons beyond their control, the full amount will be refunded.
2. **Dues:** Each Full Member shall be assessed monthly dues as set by the Board of Directors and in effect at the time, said dues to be payable one (1) month in advance, due before the first of the next month. The monthly dues may change from time to time at the discretion of the Board of Directors.
3. **Hourly Aircraft Rates:** The hourly aircraft rates are set by the Board of Directors and each Member will be invoiced at their respective rate for their accumulated hours in the previous month. Payment is due within two weeks after receipt of invoice. The hourly aircraft rate may be changed from time to time at the discretion of the Board of Directors.
4. **Delinquency.** Any Member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the Club within thirty (30) days after said sums shall be due, shall be considered a delinquent Member and may, at the discretion of the Board of Directors be suspended from flying the Club aircraft and engaging in any other Club activity. A ten percent (10%) penalty of the delinquent amount shall be charged after one (1) month's delinquency unless the Board of Directors waives the penalty upon a showing of good cause by the Member. When a delinquent Member fails to pay any sum owed to the Club, or at the discretion of the Board Of Directors, to make suitable arrangements with the Board for the payment thereof within sixty (60) days of the due date, the Member shall automatically be considered as indicating his/her intention to withdraw from the Club.

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ARTICLE XV – CLUB FINANCES

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 Club Membership.
2. The Treasurer is authorized to expend Club funds in payment for all normal fixed costs of the Club and all operating costs not in excess of TWO THOUSAND DOLLARS (\$2000.00) without approval from the Board of Directors.
3. The Maintenance Officer may authorize work on Club aircraft in an amount up to TWO THOUSAND DOLLARS (\$2000.00) without approval from the Board of Directors. The Maintenance Officer must consult with the Treasurer before authorizing any work to determine whether there are sufficient funds to pay for the work.
4. Individual Members will be reimbursed for any expenditure not in excess of ONE THOUSAND DOLLARS (\$1000.00) plus fuel expenses when such expenditures are for Club aircraft repairs or maintenance necessary to safely complete a flight back to the home airport. Member must be stranded at a remote location to have this authorization. The Club shall bear no financial responsibility for personal cost (transport, meals, hotel, etc.) to any Member because of a Club aircraft requiring repair at other than the home airport.
5. No Member, officer, Director or any other individual shall obligate the Club to any purchase, repair, service or in any manner in an amount in excess of ONE THOUSAND DOLLARS (\$1000.00) without the approval of the Board of Directors. However, such expenditure shall not be authorized without obtaining the approval of two other Directors or Officers of the Club.
6. The Board of Directors shall not authorize expenditures in excess of FOUR THOUSAND DOLLARS \$4,000.00 (excluding capital expenditures) without the approval of the majority of the Club Members.

ARTICLE XVI – SCHEDULING OF AIRCRAFT

1. Aircraft may be scheduled by any active Member in good standing provided he/she uses the scheduling system.

ARTICLE XVII – PINCH-HITTER TRAINING

1. A spouse or close friend of a member in good standing may obtain limited training in the club aircraft. This training must be solely for the purpose of allowing the non-member to be a better non-pilot passenger and to train them to respond to a situation where the member pilot is incapacitated. This program is subject to the rules and limitations presented in this Article.

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2. The member must specify an instructor, “pinch hitter” course curriculum, and a predicted schedule and number of hours.
3. All flights must be scheduled under the member’s scheduling account.
4. The member will be directly billed and is directly responsible for all fees incurred as a result of this training, including normal airtime fees and any charges as a result of damage incidents.
5. The Board must approve each individual at its discretion, may impose other restrictions, and can withdraw permission at any time.
6. This program may be denied or withdrawn at any time by the Board if it feels the program is not in the best interests of the club.
7. The non-member must be a named insured on the current club insurance policy for the duration of their training.

ARTICLE XVIII – CAPITAL ACQUISITIONS AND IMPROVEMENTS

1. The Board of Directors, with the approval of two-thirds (2/3) of all votes cast at either the annual meeting or a special meeting as defined in the section “ARTICLE II – MEETINGS OF MEMBERS” and with no less than half of all Club Members, may undertake capital acquisitions, capital dispositions or improvements and may, if necessary, assess the Membership a one-time charge to pay for such expenses. Acquisition of additional aircraft may involve sale of additional Memberships, up to the limit as stated in Article XIII, at a price set by the Board.

ARTICLE IXX – MEMBER RESPONSIBILITY

1. A Member acting as pilot in command of a Club aircraft shall ensure that flights are made in full compliance with applicable regulations.
2. No member may use any aircraft in such a manner considered to be commercial operation as defined by the current insurance provider.

ARTICLE XX – SURPLUS

1. 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 engine and prop overhaul, maintenance and general contingency funds. Use of such funds will be governed by the bylaws outlined throughout this document. The net savings in any event shall not be distributed to the Members for their individual use.

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ARTICLE XXI – INDEMNIFICATION OF OFFICERS

1. Indemnification. Flying Club, Inc., shall indemnify any current, former or future Shareholder, Director, Officer, Maintenance Officer, Employee or Agent of the Corporation, whether serving at the request of the Corporation or by election, against any expenses actually and necessarily incurred by him/her in connection with the defense of any reason for being or having been such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in performance of duty. The Corporation shall also reimburse any such current, former or future Shareholder, Director, Officer, Maintenance Officer, Employee or Agent of the Corporation for the reasonable cost of settlement of any such action, suit or proceeding, if it shall be found by a majority of the Shareholders not involved in the matter in controversy, whether or not it be a quorum, that it was in the best interest of the Corporation that such settlement be made, and that such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent was not guilty of negligence or misconduct in performance of duty.

2. Expenses. The Corporation may pay in advance any expenses which may become subject to indemnification if the Board of Directors authorizes the specific payment, and the person receiving the payment undertakes in writing to repay such expenses, unless it is ultimately determined that he/she is entitled to indemnification by the Corporation.

3. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Shareholder, Director, Officer, Maintenance Officer, Employee or Agent of the Corporation, against any liability asserted against him and incurred by him in any such capacity or arising out of his/her status as such, whether or not the Corporation would have the power to indemnify him against such liability under these Bylaws or the laws of the State of Texas.

4. Other Protection & Indemnification. The protection and indemnification provided hereunder shall not be deemed exclusive of any other rights to which any such Shareholder, Director, Officer, Maintenance Officer, Employee or Agent may be entitled, under any agreement, insurance policy or vote of Shareholders or otherwise.

ARTICLE XXII – AMENDMENTS

1. These by-laws may be repealed or amended or new by-laws adopted at any meeting of the Members called for that purpose or at any regular meeting of the Members with the approval of two-thirds (2/3) of all Club Members.

IN WITNESS WHEREOF, this the 24th day of June 2018.

Signed: _____

Attest: _____

Gulf Coast Regional Flying Club