

Blue Sky Aviation Association, Inc.

Bylaws

Adopted – xxxxxx

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PREAMBLE – MISSION STATEMENT

Blue Sky Aviation Association, Inc. is a social club that efficiently provides well-equipped, well-maintained aircraft to its members for recreational flying at a reasonable expense. The Club provides opportunities for members to strengthen flying skills and improve the Club's operation and social value.

ARTICLE I – OFFICES

Section 1 – Corporation, Trustees, and Location

A. The principal office of the Corporation shall be in a place in the State of New Jersey as the Board of Trustees, hereinafter referred to as the Board, may from time to time direct. The Corporation, hereinafter referred to as the Club, may also establish and have other offices needed for the conduct of its business. The terms Club and Corporation, as used herein, refer to the Blue Sky Aviation Association Incorporated.

ARTICLE II – THE BOARD

Section 1 – General

A. Board members shall be five (5) in number and all must be Active Members. Board Members shall be elected in the manner set forth in Article V of these Bylaws. Any unscheduled vacancy occurring in the Board shall be filled for the remainder of the term by unanimous vote of the remaining Board Members.

Section 2 – Duties and Power

A. The Board shall have the control and management of the affairs of the Club and shall exercise all such powers of the Club and management thereof, as permitted by statute, or as directed by these Bylaws. The Board may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation, as they deem proper, not inconsistent with the law.

B. At least four (4) Board Members must vote in the affirmative to purchase or dispose of Club property.

Section 3 – Removal of a Board Member

A. A Board Member may be removed from office, for cause, if he/she has been found negligent in their official duties. Such removal shall require:

1. Publication on the agenda of a Board meeting.
2. Discussion and debate. The Board Member in question shall have the right to defend his/her actions.
3. Unanimous affirmative vote of the remaining Board Members.

ARTICLE III – OFFICERS

Section 1 – General

A. The Board shall meet promptly after the election and shall elect or appoint a President, Vice-President, Secretary, Treasurer, and Maintenance Officer from among themselves.

B. The Board may appoint other positions as the needs of the Club may from time to time require.

Section 2 – President

A. The President shall act as chairman and call to order all meetings. The President shall be the Chief Executive Officer of the Corporation and shall have general supervision of the affairs of the Club and shall perform all duties commonly incident to the office, subject to the approval of the Board. The President and the Treasurer shall approve payment for each invoice of indebtedness when the amount exceeds a dollar amount specified in the Operating Procedures. No purchases may be made in excess of a dollar amount as specified in the Operating Procedures unless approved by majority vote of the Board.

Section 3 – Vice-President

A. The Vice-president shall assist the President. The Vice-president shall fulfill the duties of President in the President's absence. The Vice-president shall have responsibility for providing safety presentations at Membership meetings.

Section 4 – Secretary

A. The Secretary shall record the minutes of meetings and shall be responsible for correspondence of the Club and shall give, or cause to give, notice of all meetings.

B. The Secretary shall prepare reports as requested by the Board and file documents provided by him/her or given to him/her by other Board Members as may be required by these Bylaws, the laws of the State of New Jersey, the Federal Aviation Administration (FAA), or any regulatory agency.

C. The Secretary shall be responsible for the maintenance and safeguard of Club documents.

D. The Secretary shall prepare communications to the membership or as otherwise directed by the Board. The Membership communication shall contain the minutes of the previous Membership meeting and the minutes from the previous Board meeting and any other communications deemed necessary by the Board.

Section 5 – Treasurer

A. The Treasurer shall act as the Chief Financial Officer of the Club and shall have the care and custody of all the funds and securities of the Club and shall deposit the same in the name of the Corporation in such bank or other financial institutions as the Board may designate and shall disburse the same under such rules and regulations as may be made by the Board.

B. The Treasurer shall keep or have kept by a qualified person, full and accurate accounts of receipts and disbursements in books belonging to the Club and shall see that all expenditures are duly authorized and are evidenced by proper receipts and vouchers. The Treasurer shall render to the Board and the membership a monthly Treasurer's Report that shows a summary of all receipts, expenditures, liabilities, and a summation of all financial transactions that have taken place. The report shall contain this information for the reporting month and for each of the prior five (5) calendar months. The monthly Treasurer's Report shall be presented at all meetings for review and discussion.

Section 6 – Maintenance Officer

A. The Maintenance Officer shall ensure that all Club aircraft are maintained according to the policy of the Board, aircraft manufacturer, advisories, the FAA, and any applicable Airworthiness Directives.

B. The Maintenance Officer or any Board member shall have the authority to ground equipment if deemed to be unairworthy.

C. The Maintenance Officer shall schedule all maintenance work, expedite such maintenance work, and recommend who shall perform such maintenance work.

D. The Maintenance Officer shall be responsible for aircraft logbooks.

ARTICLE IV –MEETINGS and REPORTS

Section 1 – Presiding Officer of Meetings

A. The President shall preside at all meetings. In the absence of the President, the Vice-President shall preside.

B. The Secretary shall keep a faithful record of all proceedings at all meetings. In the Secretary's absence, a temporary secretary shall be appointed and shall keep a faithful record of all proceedings and shall turn over such record to the regular Secretary promptly.

Section 2 – Board Meetings

A. Meetings of the Board shall be held in the office of the Corporation or at any other place that a majority of the Board may designate from time to time. The Board shall meet at least monthly, and members may be invited to attend.

B. As set forth in Article III, Section 1 of these Bylaws, after an election, the Board shall meet promptly and prior to the October Membership Meeting to appoint the Officers.

C. Other regular meetings of the Board shall be held at such times and places as the Board shall prescribe. Meetings of the Board may be called whenever any Board Member so requests.

D. The Board may meet to transact business at any time and place without notice, provided that every member of the Board shall be present, or that any member or members not present shall waive participation in the meeting.

E. A majority of the Board shall constitute a quorum for the transaction of business.

F. All questions coming before the Board shall be determined and decided by a majority vote except where so noted in these Bylaws. Each Board Member shall be entitled to one vote on any question before the Board.

Section 3 – Membership Meetings

A. Membership meetings shall be held monthly. Notice of such meetings must be announced no less than seven (7) days prior to the next Membership meeting. The Board may cancel or postpone a meeting due to severe weather conditions, if a meeting place is unavailable, or other extenuating circumstance. Results of the election shall be announced at the October Membership meeting.

Section 4 – Order of Business

A. The order of business at all membership meetings, unless changed by a majority vote, shall be as follows;

1. Report of minutes of preceding meeting;
2. Reports of officers;
3. Reports of committees;
4. Presidents Report on Minutes from the previous Board Meeting
5. Unfinished business;
6. New business;
7. Safety Presentation (if applicable)

Section 5 – Annual Report

A. An annual Treasurer's Report shall be prepared and made available to the club members during the first quarter of the fiscal year. The Treasurer shall create a financial analysis of the year past and the upcoming year.

ARTICLE V - ELECTIONS AND VOTING

Section 1 – Annual Election Schedule

A. An election shall be held to elect the Members of the Board in the fourth quarter of the fiscal year.

Section 2 – Nominations for Election to the Board

A. The Board shall solicit, in writing, nominations from the Active membership at least one month prior to the election. An Active Member, interested in serving on the Board, must obtain nominations from at least ten percent of the Active membership, to be placed on the ballot. Such nominations shall be submitted via electronic means to the Secretary no later than seven (7) days prior to the election.

B. Subject to the provisions of Article V, Section 3A, any Board Member whose term is expiring shall be considered nominated automatically unless such Board Member declines to serve another term.

Section 3 – Terms

A. Board Members shall serve two-year terms and shall be limited to three consecutive terms. This term limitation shall commence to be counted upon the adoption date of this amendment to these Bylaws [insert date] and shall be in effect for all future elections.

Section 4 – Elections

A. Elections to the Board shall be staggered, with two members elected in even-numbered years and three members elected in odd-numbered years. Board Members elected in even-numbered years shall be designated “Class E” members and Board Members elected in odd-numbered years shall be designated “Class O” members.

B. All newly elected or appointed Board Members shall be designated Class E or Class O, based on the prior designation of the seat being filled.

C. Upon adoption of these amended Bylaws, the Class designations of the current Board shall be decided by mutual consent or random selection.

Section 5 – Voting in Elections – Process

A. To be eligible to vote, a member must be Active and in good standing. The Board shall provide the Active membership with the ability to vote for all nominees for a period of no less than two weeks. The results of the election shall be announced to the Board and the Membership by the October Membership meeting. If the Board Members, whose terms are expiring, are unopposed, or if there are no more candidates than the number of expired terms, no balloting shall be required.

B. All ballots shall be secret, and each eligible member shall be permitted one vote for each position on the Ballot. Any electronic means of collecting and tallying votes may be used, provided that the Board has approved such means.

ARTICLE VI – MEMBERSHIP RIGHTS AND RESPONSIBILITIES

Section 1 – Requirements for Membership

A. The Board shall process applications for membership and set such admission requirements as outlined in these Bylaws and the Club Operating Procedures. An applicant must have, at a minimum, a Private Pilot Certificate to be eligible.

Applicants shall be considered on the following items:

1. financial responsibility;
2. character;
3. history of air traffic violation;
4. flight experience;
5. recommendation from Blue Sky members; and
6. attendance at Blue Sky membership meetings.

B. Any applicant who satisfies the requirements as applied shall become a member of the Club after the prospective member has appeared before the Board and has been approved by at least four Board Members and has paid both the Bond and Initiation Fee, as established in the Club Operating Procedures.

Section 2 – Membership

A. Membership shall be classified as Active or Inactive. The Board may add classifications as deemed necessary.

Section 3 – Active Membership

A. An Active Member is one who has satisfied all requirements for membership in the Club and pays monthly dues. Such member shall be tendered all privileges and benefits of the Club.

Section 4 – Inactive Membership

A. Inactive members shall maintain current contact information with the Club.

B. Inactive members are not afforded the privileges and benefits of the Club. Inactive Members do not have the right to vote or comment on club issues, are not allowed to act as PIC of Club aircraft, and do not pay monthly dues.

C. The Board may accept applications for Inactive status on a case-by-case basis. Any application to become Inactive shall be submitted in writing and shall contain an explanation as to the reason and may only be considered provided that the stipulations of Article VI, Section 13, B. of these Bylaws are met.

D. If accepted, the Inactive Member shall leave his or her bond with the Corporation but shall not be responsible for monthly dues and assessments. Such member shall make every effort to ensure all club bills are paid and that the bond is left at full value.

Section 5 – Inactive Member Reinstatement

A. Any Inactive Member may apply in writing to the Board to be reinstated to

Active status. If such member's bond was left in full, with no bond funds used to cover unpaid bills, the member, when approved, shall be re-instated to Active status regardless of the present number of Active Members. If less than the full bond has been at the Club's disposal, the member must wait for the next available membership opening and must bring his or her bond to its original value while waiting.

Section 6 – Family Membership

A. Membership is available to an Active Member's family, to include a spouse or domestic partner, and children. Such family member shall be required to purchase a membership Bond at one half (1/2) the current value as set forth in the Operating Procedures, shall pay the full Initiation Fee, and shall be granted Active membership status, provided the potential member has met the provisions set forth in this Article VI, Section 1 of these Bylaws. Such Family Member shall be given top priority to a membership opening ahead of any non-member awaiting membership. All Family Memberships shall pay full monthly dues and are tendered all privileges and benefits of the Club.

Section 7 – Membership Voting

A. Each Active Member shall have one vote in all elections and any other voting involving the membership. Only Active members shall have the right to vote.

Section 8 – Number of Members

A. The total number of Active Members in the Club at any one time shall be at the discretion of the Board, and generally will be approximately eighteen (18) active members per aircraft.

Section 9 – Membership Bond and Initiation Fee

A. The cost of the membership Bond and Initiation Fee shall be determined by the Board and shall be set forth in the Operating Procedures. Bonds are refundable upon resignation, to the extent they have not been depleted to pay a member's bills. Initiation Fees are non-refundable.

B. To change the value of current Active Members' Bonds shall require an affirmative vote of a majority of the Active Members.

Section 10 – Resignation of Membership

A. A member may resign his or her membership by notifying the Board in writing. Upon resignation, such member is entitled to a refund of his/her membership bond, less any moneys owed. Refund may be delayed for not more than six (6) months if Club financial demands so require.

Section 11 – Involuntary Termination of Membership

A. Members are required to adhere to the Federal Aviation Regulations, Aeronautical Information Manual (A.I.M.), accepted safety practices, these Bylaws, and Club Operating Procedures. The Board may, by unanimous vote, terminate the membership of any member for breach of these requirements.

B. Members are required to pay their bills. The Board may, by unanimous vote, terminate the membership of any member for breach of the requirements set forth in Section 13 of this Article VI.

Section 12 – Assessment and Dues

A. The monthly dues, hourly rates, and assessments shall be determined by the Board. Active Members are required to share equally any financial obligations entered by the Club and apportioned by the Board.

Section 13 – Unpaid Bills

A. Bills are due upon receipt and shall be considered late after thirty (30) days. Members shall not permit their unpaid bills to exceed 50% of the value of their membership Bond, or to remain unpaid through two consecutive monthly billings. Any member, who has not complied with these requirements, may be prohibited from reserving club aircraft by majority vote of The Board. Any member who has been prohibited from reserving club aircraft three (3) times, shall be subject to involuntary termination. The Board shall discuss and debate the circumstances and vote on action to be taken. The Board may, by majority vote, deduct such member's unpaid balance from the member's Bond, terminate membership, and return any balance.

B. A member whose outstanding unpaid balance is equal to or greater than 50% of the value of his/her Bond shall not be eligible to change his/her membership status to Inactive.

ARTICLE VII – MEMBERSHIP VETO RIGHTS

Section 1 – Veto Rules

A. Active Members of the Club have the right to veto certain decisions made by the Board. Such vetoes shall be limited to the following decisions:

1. Purchase of an aircraft.
2. Selection and placement of an aircraft for sale, except in the event of an accident where the insurance company has determined that the aircraft is a total loss.
3. Entering a business combination with any airport operator, airport owner, any combination thereof, FBO, or any flying club (for profit or non-profit).
4. Relocating club aircraft, in full or in part, to a different airport (with the exception of short-term relocation due to the inability of the home airport to sustain acceptable operations).

B. To execute any of the above actions, the following requirements must be met:

1. The Board must prepare justification of the decision for the Membership. The justification shall disclose reason for the decision, financial information, and plan of execution, and
2. The justification must be sent to all members at least seven (7) days

prior to the next membership meeting. A review of the justification shall appear on the Agenda, and
3. The justification shall be reviewed at the membership meeting.

C. Any veto of a Board decision shall require a two-thirds (2/3) majority vote of the Active membership and shall be conducted no less than seven (7) days prior to the regular Membership meeting following the meeting at which the justification was provided.

ARTICLE VIII – FLIGHT OPERATIONS

Section 1 – General

A. No member shall act as pilot-in-command of a Club aircraft unless in compliance with Federal Aviation Regulations, these Bylaws, and the Club Operating Procedures. Any member under investigation by the Federal Aviation Administration shall notify the Board immediately.

Section 2 – Operating Procedures

A. The Board shall publish Club Operating Procedures for guidance and use by the members.

ARTICLE IX – CORPORATE PROPERTY

Section 1 – Title

A. All property purchased by the Club shall be placed in the title of the Corporation.

Section 2 – Maintenance

A. Maintenance of the Club aircraft shall be performed in compliance with Federal Aviation Regulations.

ARTICLE X – INSURANCE, ACCIDENTS/INCIDENTS, AND DAMAGE

Section 1 – Insurance

A. At all times, the Club shall carry hull insurance on all Club aircraft, and liability insurance covering the operation of all Club aircraft. The amount carried shall be established by the Board.

Section 2 – Rules

A. Any member acting as Pilot in Command in any Club aircraft that is involved in an accident, incident, or damage sustained by the Club shall be financially responsible for damages as set forth in the Club Operating Procedures.

ARTICLE XI – FISCAL YEAR

Section 1 – Period

A. The fiscal year of the Corporation shall commence on October 1, and end on September 30th of the subsequent calendar year.

ARTICLE XII -AMENDMENTS

Section 1 – Procedure

A. These Bylaws may be amended, altered, repealed or expanded in any manner not inconsistent with the statutes of the State of New Jersey, or the provisions of the Certificate of Incorporation, by written or electronic consent of at least two-thirds (2/3) of the Active Members of the Corporation. Any proposed amendments to these Bylaws must be submitted to all such members, not less than fourteen (14) days prior to the date upon which said proposal is to be decided.

ARTICLE XIII – DISSOLUTION OF THE CORPORATION

Section 1 – General

A. The Club may be dissolved, either by a two-thirds (2/3) majority vote of the Active Members or, should legal, financial, or operational circumstances so dictate.

Section 2 – Liquidation

A. The Board shall determine the Dissolution Date based on Section 1 of this Article XIII, and shall be responsible for the liquidation and distribution of all assets of the Club.

Section 3 – Distribution of Assets

- A. Liquidated assets shall be distributed as follows:
1. Member Bonds - All members (Active and Inactive) are entitled to the amount of his/her Bond, less any amount due on account. If insufficient funds are available, the amount returned shall be in proportion to the outstanding Bonds, less any amount due on account.
 2. Excess Funds - Any additional funds that remain after payment of Member Bonds as described above shall be distributed evenly among all Active Members and any Inactive Members who entered Inactive status within the two years prior to the Dissolution Date. Payment to members who have accrued less than 5 years of Active membership (Membership Tenure) prior to the Dissolution Date shall not exceed the amount of any initiation fee paid upon entering the club. The Membership Tenure of participating Inactive Members shall be the number of years accrued as an Active member; time accrued while in Inactive member status is excluded.
 3. Distribution to any member is subject to the Club having details of his/her membership tenure and current contact information on file.

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