

TROY OAKLAND PILOTS FLYING CLUB, INC.

BYLAWS

Revised May 2021

ARTICLE I: Purpose and Laws Governing

1. Purpose:

The purpose of the Troy-Oakland Pilots Flying Club, Inc. (Club) is to provide safe and economical aircraft to its members in a social setting and to promote all aspects of general aviation. “Organized for pleasure, recreation, and other nonprofitable purposes” (and having been so operated), the Club has received an IRS 501(c)(7) determination.

2. Laws Governing:

These Bylaws reference the Michigan Nonprofit Corporation Act, MCL 450.2102 et seq. (the Act), and the Club’s Articles of Incorporation. The Club will be governed and operated thereunder exclusively for, and in furtherance of, its chartered purpose. Any inconsistency among these Bylaws, the Article of Incorporation, and the Act will be resolved by giving precedence in the following order: (i) the Act, (ii) the Articles of Incorporation, and (iii) these Bylaws.

3. Fiscal Year:

The Fiscal year commences on July 1st and ends on the following June 30th.

ARTICLE II: Principal Office

1. The principal office for the transaction of the Club’s business is as determined by the Board of Directors (Board) within Oakland County, Michigan. The Board may at any time and from time to time change the principal office’s location within Oakland County.

ARTICLE III: Membership

1. Classes of Membership:

There are four classes of membership: Individual, Family, Flight Instructor, and Inactive.

- a. Individual Membership entitles the member to all Club rights, privileges, and responsibilities.

- b. Family Membership entitles family members to all rights, privileges, and responsibilities of Individual members, with a reduced payment for a membership security deposit, except for the right to vote or share in the Club's assets upon dissolution. A Family member serving on the Board is exempt from voting restrictions. With written notice, the Individual Membership may be transferred to any family member as outlined in Section 2, b. of this Article.
- c. Flight Instructor Membership consists of certified flight instructors (CFIs), authorized by the Chief Pilot, who are neither Individual nor Family members. Flight Instructor membership entitles CFIs to provide flight instruction to Club members in Club aircraft, to schedule Club aircraft in the reservation system, and to act as Pilot-In-Command (PIC) of club aircraft (including solo) when authorized by the Chief Pilot. A Flight Instructor Member may not vote.
- d. Inactive Membership allows members with personal circumstances, such as temporary transfer, medical restrictions, etc., that prevent active participation in the Club's flight activities, to be absolved of Club fees and responsibilities. Inactive members may not vote or schedule aircraft. An inactive member serving on the Board is exempt from voting restrictions.

2. Qualification and Eligibility for Membership:

- a. All members must be of good moral character, legally responsible, and financially able to meet Club obligations. They must possess or have the ability to procure all licenses, certificates, or permits required by the responsible governmental agencies for the operation of Club aircraft.
- b. To qualify for a Family membership, the applicant must be directly related to an Individual member via being a spouse, sibling, parent, child, or grandchild, or any spouse of the forementioned.
- c. A member may request to be placed in Inactive status. Provided no balance due, the President, with Board approval, may change a member's status to inactive. Inactive members will continue to have their membership security deposit retained by the Club but will not be charged dues. Inactive members may return to active status upon Board approval and payment of a fee to be determined by the Board.

3. Ownership of Assets and Right Upon Dissolution:

Upon the Club's dissolution, Club liabilities will be paid out of its assets, with the remaining assets divided equally among active Individual Members.

4. Membership – Transferability:

No membership, or certificate of membership, may be transferred, sold, assigned, alienated, or hypothecated with the exception detailed in Section 1, b. of this Article.

5. Termination of Membership – Voluntary:

- a. Membership may be terminated by submitting a written notice of resignation to either the Club President or the Membership Manager.
- b. Member privileges are suspended immediately upon the Club's receipt of notice of resignation.
- c. The resigned member's deposit, or portions thereof, shall be applied toward any liability the member may be indebted to the Club.
- d. Resignation of the Individual Family Member terminates all Family Members thereunder effective on the date of the resignation, provided that no other Family Member, as outlined in this Article, Section 2, becomes an Individual member within 30 calendar days.
- e. A resigned member's account will be reconciled within 45 days, providing that all indebtedness due the Club is fully paid and the hangar key(s) returned. A resigned member remains liable for all indebtedness associated with his or her membership.

6. Termination of Membership – Involuntary:

- a. Membership is terminated by the Member's death.
- b. The Club President, with Board approval, may terminate the membership of any member, with or without cause. Upon notice to the member so terminated, all Club membership rights and privileges cease. The terminated member has no recourse whatsoever against the Club, its assets, members, directors, officers, agents, or employees, beyond the deposit refund as provided in this section. The terminated member may request a meeting with the Appeals Committee whose decision is final without recourse.
- c. The terminated member's deposit, or portions thereof, shall be applied toward any liability the member may be indebted to the Club.
- d. If, at termination, a member is indebted or obligated to the Club, the balance will be satisfied by the member and will continue as a financial obligation until satisfied without regard to any action taken to terminate such membership.
- e. Involuntary termination of the Individual Family Member terminates all other family members thereunder effective on the termination date.
- f. A terminated member's account will be reconciled within 45 days, providing that all indebtedness due the Club is fully paid and the hangar key(s) returned. A terminated member remains liable for all indebtedness associated with his or her membership.

7. Membership Dues, Security Deposit, Charges and Assessments:

- a. Each member will be assessed monthly dues as fixed by the Board.
- b. An application fee and a membership security deposit, fixed by the Board, will be charged for membership, and collected prior to acceptance of the applicant. The membership security deposit shall be refunded by the Club, net of outstanding unpaid obligations to the Club, within 45 days of termination of membership.
- c. The Individual family member is responsible for any security deposit, dues, or charges incurred by other Family Members.
- d. Members will be billed monthly for time flown at hourly rates fixed by the Board.
- e. The Board may make special assessments of members.
- f. The Board may impose a service charge on delinquent accounts at a rate of 1% per month (12% APR). The Club President, with Board approval, may declare a delinquent member inactive, deny use of Club aircraft, or be subject to involuntarily termination under Sections 6 and 7 of this Article.
- g. The Club's financial status, including a balance sheet and a profit and loss statement, will be provided to the members annually. Any financial status documents previously prepared by the Treasurer may be requested by any active member.

ARTICLE IV
Meetings of Members

1. Place of Meeting:

Meetings of members will be held at any place designated by the Club President or the Board, provided that the meeting place is within 50 miles of the Club's primary airport and located within Michigan.

2. Annual Meetings:

Annual Membership Meetings will take place in April. Such meetings will include a vote to accept, or reject, a slate of Club Officers and Directors, as presented by the Board, for the following year. Additional business may be conducted as appropriate for the Club.

- a. Should the slate be rejected, the Board positions will be open to the membership for election to be held within 45 days. The current Board will remain in position in the interim.
- b. The Board shall solicit the general membership for those interested in serving in a volunteer position.

3. Special Meetings:

The President, or Board majority, may call a special Membership Meeting at any time for any

purpose, to be held at a time and place as designated. In addition, 10% or more of the members may call a membership meeting by providing a written request to the President or Secretary.

4. Appeals Committee Meeting:

The appeals committee consists of six members: Three permanent members are the President, Chief Pilot, and the Membership Manager. Three other members shall be chosen from the general membership, being those members with the greatest length of active Club membership who are willing to serve and are not currently serving on the Board. In the event of a split vote, the Board's decision shall be reversed.

5. General Meetings:

General Membership Meetings will be scheduled as determined by the Board.

6. Notice of Meetings:

Notice of membership meetings will be given to each member electronically via the e-mail address on file with the Club. The notices will be sent by the Club President and Secretary, no fewer than ten days and no more than 90 days before each meeting. The notice will specify the meeting's place, day, and hour and will state the general nature of the business to be considered. Prior to the Annual Meeting, the Membership Manager will provide the President with a list of all voting and nonvoting Club members and will certify that the list is current and complete.

7. Quorum:

- a. The presence in person or by proxy of 25% of the voting membership constitutes a quorum for the transaction of business at Annual Meetings and at Special Meetings.
- b. The presence in person of 20% of the voting membership constitutes a quorum for the transaction of business at General Membership Meetings.

8. Voting at Meetings:

Each voting Member is entitled to one vote in person, or by agent authorized by written proxy filed with the Club secretary. Votes may be taken by voice, by show of hands, or by ballot. Nonvoting members are entitled to be present and heard.

9. Conduct of Meeting:

Meetings will be conducted in accordance with Robert's Rules of Order.

10. Digital Meetings:

If circumstances dictate that in-person meetings are infeasible, such as during the COVID-19 pandemic, the President is authorized to substitute in-person meetings for a digital alternative

such as Zoom, Skype, or Facetime. Votes, when necessary, may be conducted via e-mail or, with Board approval, through any other digital means.

Article V Board

1. Number and Qualification:

There will be a minimum of seven Directors elected from, and by, the membership in accordance with Article IV. The President, Secretary, Treasurer, and Chief Pilot are Directors, along with at least three Directors elected at large. One person may not hold more than one of the above Director's positions at any time.

- a. The positions of Maintenance Manager and Membership Manager will be appointed by the Board from among current Directors.

2. Term of Office:

- a. A Director's term of office runs from June 1 until May 31st following the Annual Meeting (or any adjourned Annual Meeting).
- b. Any vacancy created by the death, resignation, or inability of any director to serve will be filled by the Board, by appointment, and shall be ratified by the Membership at the next meeting.

3. Powers:

Subject to any limitations of the Articles, these Bylaws, and the Act as to action(s) to be authorized or approved by the members, and subject to the duties of the Directors as prescribed by these Bylaws, all corporate powers will be exercised by, or under the authority of, and the business and affairs of the Club will be controlled by, the Board. Without prejudice to such general powers, but subject to the same limitations, the Directors have the powers as set forth:

- a. To appoint and remove all appointive Club officers, managers, captains, agents, and employees and to prescribe powers and duties for officers, agents, and employees as are consistent with law, with the Articles, or these Bylaws.
- b. To conduct, manage and control the Club's affairs and business, and to promulgate rules and regulations therefor consistent with law, with the Articles, or these Bylaws, at their discretion.
- c. To change the Club's principal office, as deemed necessary for the transaction of its business, from one location to another in Oakland County, Michigan.
- d. To borrow and incur indebtedness for Club purposes, and to cause to be executed and delivered in the Club's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt, and securities, therefore.

- i. Notice shall be given to the membership prior to incurring indebtedness.
- e. To manage, in their discretion, all funds and property, real and personal, received and acquired by the Club.
- f. To determine the quantity and type of aircraft and equipment to be used by the Club, the Board, prior to changes in the aircraft fleet, shall survey the membership regarding proposed changes to the fleet.
- g. To determine the limits on the total number of Club members.
- h. To accept, or reject, new members, as recommended, by the Membership Manager.

4. Place of Meeting:

Regular Board meetings will be held at any place that has been designated by Board resolution, or by consent of all Board members.

- a. Notice shall be given to the general membership as to the date and location of Board meetings.
- b. The general membership is entitled to attend Board meetings.
- c. The Board retains the right to call for an Executive Session, which will be limited to the Board.

5. Special Meetings:

The President, or, if absent, unable to act, or refuses to act, any three Directors, may from time-to-time call Special Board meetings for any purpose or purposes. Notice of the Special Meetings' time and place will be given electronically, via the e-mail address on file with the Club.

6. Quorum:

A majority of the authorized number of Directors constitutes a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present constitutes the act of the Board, unless a greater number is required by law, or by the Articles, or by these Bylaws.

7. Action Without Meeting:

Any action required or permitted to be taken by the Board may be taken without a meeting if all Board members individually or collectively consent to any action. Such consent or consents will be recorded in the minutes of the proceedings of the following Board meeting. Such action shall have the same force and effect as a unanimous Directors vote. E-mail correspondence constitutes recorded consent in lieu of meeting minutes.

8. Compensation of Directors:

All Directors shall serve without direct compensation for services rendered as Directors. This does not prohibit Directors from receiving compensation as outlined in the Operating Rules. If approved by the Board, Directors may be reimbursed for legitimate and reasonable expenses incurred in the performance of their duties. The foregoing does not preclude the Board from authorizing one or more paid employees.

9. Indemnification of Directors:

The Club will indemnify any Director, or former Director, for expenses, costs, and reasonable attorney fees actually and necessarily incurred in connection with any claim asserted against that Director, in Court or otherwise, due to his having been, or being, a Director; except where the expenses, costs, and attorney fees are proven to have been incurred through, or as a result of, that Director's own negligence or misconduct.

- a. No Board member who is a volunteer Director, as is defined in the Act, and no volunteer Officer, shall be personally liable to this Club or its members for monetary damages for a breach of the Director's or Officer's fiduciary duty; provided, however, that this provision does not eliminate or limit the Director's or Officer's liability for any of the following:
 - i. A breach of the Director's or Officer's duty of loyalty to the Club or to its members.
 - ii. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law.
 - iii. A violation of Act §551 (1) (M.C.L. §450.2551 (1)).
 - iv. A transaction from which the Director or Officer derived an improper personal benefit.
 - v. An act or omission of a volunteer Director occurring before the date of filing these Articles.
 - vi. An act or omission that is grossly negligent.
- b. The Club assumes the liability to any person, for acts or omissions of a volunteer Director or a volunteer Officer incurred in the good faith performance of the Director's duties if all of the following are met:
 - i. The volunteer Director or volunteer Officer acted or reasonably believed that he or she was acting within the scope of his or her authority.
 - ii. The volunteer Director or volunteer Officer acted in good faith.
 - iii. The volunteer Director's or volunteer Officer's conduct did not amount to gross negligence or willful misconduct.

- iv. The volunteer Director's or volunteer's Officer's conduct was not an intentional tort.
 - v. The volunteer Director's or volunteer Officer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed in M.C.L. §500.3135.
- c. If the Act is amended after adoption of these Bylaws to authorize the further elimination or limitation of Director or Officer of nonprofit corporation liability, then the liability of the Club's Board members and Officers, in addition to the limitation, elimination, and assumption of personal liability contained in this Article, shall be assumed by the Club or eliminated or limited to the fullest extent permitted by the Act as amended. No amendment or repeal of this Article applies to, or has any effect on, the liability or alleged liability of any Board members or Officers for or with respect to any acts of omissions of the Director or Officer occurring prior to the effective date of the amendment or repeal.

10. Organization of Board:

At the first board meeting of the fiscal year, the Board will elect one person who will be empowered to substitute for the Chairperson when the Chairperson is incapacitated or otherwise unable to attend board meetings.

ARTICLE VI
Officers, Managers, Captains

1. Number and Selection:

- a. The Club's officers are a President, Secretary, Treasurer, and Chief Pilot.
- b. The President may designate an existing Board member to administer the duties of an additional office on an interim basis. This designation does not permit additional voting privileges.

2. President's Duties:

The President is the Club's chief executive and Board chairperson, and, subject to Board control, has supervision, direction, and control of the Club's business and affairs. The President, or his/her designee, will be the Club's official spokesperson. The President will preside at all meetings of the Board and of the Members. The President is an ex officio, a member of all standing committees and has the general powers and duties usually vested in the office of the President of a Corporation and has other powers and duties as prescribed by the Board or by these Bylaws.

3. Secretary's Duties:

The Secretary will keep, or cause to be kept, at the Club's principal office, or such other place

as the Board directs, a book of minutes of all meetings of directors and members. The Secretary will give the notices of all meetings as provided in these Bylaws. The Secretary will perform the duties as are required by law, or as are prescribed or required from time to time by the Board or by these Bylaws.

4. Treasurer's Duties:

The Treasurer will keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the Club receipts, assets, liabilities, disbursements, gains and losses. The Treasurer will deposit all monies and other valuables in the Club's name with such depositories as may be designated by the Board. The Treasurer will disburse the funds of the Club as ordered by the Board and will render to the President and the Directors, upon request, an account of all Treasury transactions. Electronic transfer of funds, either for deposits or disbursements, may be used to facilitate the conduct of Club business. The Treasurer will perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board or by these Bylaws.

- a. With reasonable notice to the treasurer, the books of account will be open to inspection by any Club member.

5. Chief Pilot's Duties:

The Chief Pilot has overall responsibility to designate and authorize flight instructors and determine that all authorized flight instructors are in compliance with FAA requirements, as well as all Club requirements, for flight instruction in Club aircraft. This responsibility is limited to maintaining records to assure that authorized flight instructors hold current certificates and liability insurance. Authorization to be a Club flight instructor may be removed at any time at the sole discretion of the Chief Pilot. The Chief Pilot, in his/her sole discretion, has the authority to ground pilots and aircraft deemed non-airworthy. The Chief Pilot must hold a current Certified Flight Instructor Certificate.

6. Maintenance Manager's Duties:

The Maintenance Manager has overall responsibility for maintaining the airworthiness of Club aircraft and associated equipment. The Maintenance Manager will cause all required maintenance, inspections, overhauls and Airworthiness Directive compliance to be performed in accordance with Federal Aviation Regulations under the supervision of a Certified Airframe and Powerplant mechanic and will insure proper logbook entries and execution of all required forms. The Maintenance Manager will maintain a system to provide for notification and response of corrective maintenance actions required.

7. Membership Manager's Duties:

The Membership Manager will recruit, screen, recommend to the Board and assist prospective Club members. The Membership Manager will maintain a membership roster of contact information for all members. The Membership Manager will indoctrinate new members to Club procedures and regulations and make available aircraft handbooks and information, Club Bylaws, Operating Rules and other practices and procedures, etc. to new members.

8. Managers' and Captains' Duties:

The Board may appoint other Managers and Captains as the Club's business requires, each of whom will serve for the period of time and have such authority and perform such duties as are provided in these Bylaws or as the Board, from time to time, determines. The Board will provide a list of duties for each position and include such duties in the Operating Rules. Multiple positions may be filled by the same member.

9. Removal of Officers, Managers and Captains:

- a. Appointed positions may be removed with or without cause by Board majority vote.
- b. Elected officers may be removed with or without cause at a Special Meeting of the members, called for that purpose, by a majority of those voting.

10. Disbursement of Funds:

The Treasurer is authorized to disburse funds for routine items without further Board authorization. An item is deemed to be routine if it occurs on a regular basis for items such as insurance, rent, utilities, maintenance, etc. No other funds will be disbursed by the Club unless there is a record indicating that two Board members approved the disbursement. No disbursement in excess of \$10,000.00 will be made without approval from a majority of the Board. Disbursements greater than \$4,000.00, but less than \$10,000.00, require notice, but not approval, of the full Board.

11. Compensation and Reimbursement of Officers, Managers, and Captains:

Officers, Managers, and Captains may be compensated for their services upon recommendation of the Board, subject to approval by the membership. Officers, Managers and Captains may be reimbursed for legitimate and reasonable expenses incurred in the performance of their duties if such reimbursement is approved by the Board.

ARTICLE VII
Liability

1. Insurance:

- a. The Club will, at all times, insure all Club aircraft with hull insurance against ground and flight damage, and will carry property damage and public liability insurance to protect the Club as a Corporation, the Board individually and collectively, and its members against actions, suit for damage, or judgments of third persons or members. The amount of insurance will be at the Board's discretion. Each member may request a summary of the insurance coverage as set forth in the Club's applicable policies of insurance. Such a summary will be updated from time to time as changes are made.
- b. Certified Flight Instructors (CFIs) are not covered under the Club's liability insurance policy. Flight instructors are required to retain, at their own expense, appropriate liability insurance and provide proof of said coverage to the Chief Pilot.

- c. The Board may purchase additional liability, or other insurance, as it deems appropriate.

2. Damage to Aircraft:

The Club member is responsible for the Club's aircraft's safe operation. Upon damage to a Club aircraft, its engine, or equipment proximately caused by the member's act or omission, the member is liable for the damage sustained and may be assessed part or all of the uninsured non-reimbursable cost of repair or replacement, except as noted in Section 4 of this Article. The maximum limit to members for damage to aircraft will be \$5,000.00 provided that Section 4 of this article does not apply. This allows the Club to effectively manage assets and resources and minimize the financial risk attributed to hangar rash, prop strikes, etc.

3. The Club expects to avoid insurance claims for minor losses, limiting insurance claim to catastrophic or otherwise extreme loss. This minimizes insurance rate spikes and avoids potential policy cancellation, and the ensuing difficulty of securing alternate insurance.

4. Accident Investigation Board:

In the event of an accident, damage, destruction, or loss of Club aircraft, engine, or equipment for which liability may be assessed under Section 2 of this Article, an Accident Investigation Board comprising the President, Chief Pilot, and Maintenance Manager (or other Directors appointed by the Board if these positions are not then filled by three separate individuals) shall be convened. This Board will investigate and report its findings and recommendations to the Board, which may then take appropriate action under Sections 2 and 5 of this Article.

5. Liability for Gross Negligence, Willful Violation of Law and Flight Under the Influence of Intoxicants or Drugs:

Should any member be found by the Accident Investigation Board to have caused loss, damage, destruction, or injury to the Club or its aircraft, engines, or equipment through or by reason of gross negligence, or willful violation of any Federal, Michigan, or Club law, regulation, or rule, or while under the influence of intoxicating liquors or drugs, or in such a case was found that the acting PIC was unauthorized to fly club aircraft, the member or, if the accident resulting in the death of the member, the member's estate, may be held liable for all such loss, damage, destruction, or injury. The limitation of liability set forth in Section 2 of this Article does not apply in such an event.

6. Family Members:

As used in this Article, "Members" includes family members; provided, however, that the Individual family members are liable to the Club for loss, damage, destruction, or injury sustained by the Club that is proximately caused by act or omission of family members.

ARTICLE VIII Equipment

1. General:

The Club is authorized to own, lease, rent, or charter aircraft for the operation by Club members. Aircraft will be suitable and adequate for training and cross-country operation and will be equipped with instruments, navigational aids, and other equipment as may be deemed advisable by the Board.

2. Approval of Contracts:

All contracts for the sale, purchase, lease, rental, or charter of aircraft require Board approval.

3. Maintenance:

Aircraft, engines, and equipment must be maintained in accordance with FAA regulations.

**ARTICLE IX
Amendments and Interpretation of Bylaws**

1. Amendments:

These Bylaws may be adopted, amended, or repealed by the vote of a majority of voting members. A special meeting of members will be called for this purpose according to the Articles or these Bylaws. This does not preclude voting on bylaws via electronic means if warranted as stated in Article IV, Section 10.

2. Interpretation:

The President decides the interpretation of these Bylaws. Members may appeal Presidential interpretation to the Board, whose majority vote is final.

**ARTICLE X
Club Website**

1. Official Communication:

The official Club website (<http://troyoaklandpilots.org/>) and Social Media accounts, as designated by the Board, will be used to communicate official procedures and policies to Club members. Electronic communication to the membership will be used for all Club communications and to announce general, annual, and special meeting dates and locations.

2. Club Communication Authorization:

All official Club communication, including via the website, social media accounts, newsletters, etc., must be authorized by the President or his/her designate.