

**Northern Colorado Flying Club
Loveland, CO**

By-Laws

May 8, 2017

ARTICLE 1 – PURPOSE

1.1 **Northern Colorado Flying Club, Inc.**, hereinafter referred to as “NCFC” or the “Club” is a Colorado Limited Liability Company (LLC) organized for the purpose of providing convenient, safe flying at economical rates; and social fellowship through the acquisition (purchase or lease) and maintenance of one or more aircraft for the education, training and general use by its members.

ARTICLE 2 – MEMBERSHIP

2.1 Membership in the Club is a voluntary privilege, and shall consist of Equity Members and Associate Members.

2.2 Equity Membership in the Club denotes a non-exclusive ownership interest in the Club assets. However, Equity Members are not entitled to the distribution of any operating surplus or net savings in the Club. All surplus remaining after operating costs and other expenses are paid shall be retained by the Club to accomplish its purpose.

2.3 The number of Equity Members in the club is limited, consisting of not less than eight (8) and not more than twenty (20) members per aircraft acquired.

2.4 All Equity Membership applicants shall provide a completed membership application along with a \$250.00 non-refundable initiation fee to the Secretary-Treasurer for consideration as an Equity Member and shall also provide such other documents as requested consistent with the individual's airmen certification.

2.5 An Equity Member applicant shall be granted membership only upon the consent of at least 3 members of the Board of Directors, except in the case of a previous member who is re-applying, in which case approval is required by majority vote of the Board of Directors present at the next meeting of the Board of Directors. All fees paid by applicants who are not approved for membership shall be returned along with notice of non-approval within 7 days.

2.6 A new Equity Member, upon acceptance, will pay an initial investment of \$1,000.00 and hold an equity position in the club proportional to the number of Equity Members in the Club; and will be entitled to one vote on any resolution or in any election.

2.7 The Club may grant Associate Membership to an individual who brings a benefit to an Equity Member, or to the Club in general, but would not otherwise be a candidate for Equity Membership. Such Associate Membership would be at the specific request (or sponsorship) of an existing Equity Member, and would require approval of three (3) members of the Board of Directors.

ARTICLE 2 – MEMBERSHIP (continued)

2.8 An Associate Member applicant shall provide a completed membership application along with a \$250.00 non-refundable initiation fee to the Secretary-Treasurer for consideration. Upon approval as outlined in 2.7 herein, the Associate Member will be subject to monthly dues of \$85.00 which may, at the discretion of the Board of Directors, be waived in lieu of the benefit derived by the club. All fees paid by applicants who are not approved for membership shall be returned along with notice of non-approval within 7 days.

2.9 An Associate Membership does not include ownership in the Club, nor does it entitle the Associate Member to vote on any resolution or in any election, or to any Club benefits other than flying time privileges.

2.10 In the event of aircraft scheduling conflicts involving an Associate Member and an Equity Member, the Associate Member will yield to the Equity Member.

2.11 Should an Equity Member elect to use a non-Member CFI for his/her flight training, the Equity Member may submit an application on the CFI's behalf to become an Associate Member. Upon approval as outlined in 2.7 and 2.8 herein, the CFI Associate Member will be able to serve in a training capacity at the flying time expense of the Equity Member.

2.12 Members may not cause the Club to incur any obligation, for maintenance or other services, nor aircraft or equipment, without prior approval of the Board of Directors.

2.13 The club will not disclose members' personal information to outside parties except as required by law, in the due course of business (such as for insurance purposes), or as necessary in the interest of safety.

2.14 Members are not to disclose the club roster to outside parties or use the roster for any commercial purpose, with the exception of occasional training related announcements, without prior permission of the board.

ARTICLE 3 – MEMBER IN GOOD STANDING

3.1 "Member in Good Standing" means that the member is current in the payment of the Monthly dues and flying time charges.

3.2 A member who is in arrears (delinquent) on any dues, fees, assessments, or other financial obligations due to the Club for more 30 days shall be suspended from all flying privileges. Notice of suspension shall be provided in writing (via letter, email or text message) by a club officer stating also the conditions necessary for reinstatement. Notice of suspension does not relieve a member of any previous or continuing financial obligations to the Club.

3.3 Failure to maintain membership in good standing, or violation of club rules or flight proficiency requirements may also cause the suspension of flying status. Notice of, and financial obligations during suspension shall be as stated in paragraph 3.2 herein.

3.4 In the event a member in good standing, as defined in these By-Laws, wishes to withdraw from the Club, he/she shall contact the Secretary-Treasurer and his/her name will be placed on a buy-out list. The member will continue to be responsible for monthly dues and other monthly obligations; and will remain subject to the rules and regulations of the Club until a replacement member is found and withdrawal is final, with the following exception.

3.4.1 In the event the withdrawing member in good standing is unable to maintain his/her monthly obligations until a replacement member is found, he/she may, by written request to the Secretary-Treasurer, forfeit any equity holding in the Club; and have no further obligation to the Club.

ARTICLE 3 – MEMBER IN GOOD STANDING (continued)

3.5 Membership in the Club is provisional and may be terminated by the Board of Directors at any time with or without cause. Any member whose membership in the club is terminated shall, upon return of his/her membership fee by the Club (less any dues, fees, assessments, or other financial obligations due to the Club), have no recourse against the Club, any member, or any Officer of the Club.

ARTICLE 4 – MEETINGS OF MEMBERS

- 4.1 All meetings of the members, except as herein otherwise provided, shall be held at a place to be determined by the Board of Directors.
- 4.2 The annual meeting of the Club shall be held during the month of January at such time as the Board of Directors shall determine. Quarterly meetings may be held during the months of April, July and October as the Board of Directors shall determine.
- 4.3 Notice of the annual and quarterly meetings of the members shall be given by written notice mailed to each member at his/her last known address at least 30 days before such annual/quarterly meeting.
- 4.4 Special meetings of the members may be held at such time and place as the Board of Directors may determine, or by written petition of at least one third of the members in good standing as defined herein. It shall be the duty of the Secretary/Treasurer to call such meetings within thirty days of such demand.
- 4.5 Notice of special meeting of members, stating the purpose thereof, shall be given in like manner as the notice required for regular annual/quarterly meetings.
- 4.6 At any meeting of the members, a quorum shall consist of one third (1/3) of the members who are in good standing as defined herein. A proxy is considered as a member present for the purpose of these By-Laws.
- 4.7 The President, or in his/her absence the Vice-President, or in the absence of the President and Vice-President, a Chairperson elected by the members present shall call the meeting of the members to order and shall act as the presiding officer thereof.
- 4.8 At the annual meeting of the members, the members shall elect a Board of Directors as constituted by these By-Laws.
- 4.9 At every meeting of the members, each member shall have one vote on any resolution or election. Votes cast by written or electronic proxy will be accepted provided they are received by the club Secretary/Secretary at least 24 hours prior to the meeting when the vote is to be taken.
- 4.10 A majority vote of the members present, including proxies, is necessary for the adoption of any resolution and for election of a member to the Board of Directors.

ARTICLE 5 – ELECTION of DIRECTORS

- 5.1 The business of the Club shall be conducted and controlled by the Board of Directors consisting of seven (8) members.
- 5.2 The Board of Directors shall consist of the following Officers: President, Vice-President, Secretary-Treasurer, Safety Officer, Aircraft Maintenance Officer; and three (3) Directors at Large.

ARTICLE 5 – ELECTION of DIRECTORS (continued)

5.3 The term for each Director shall be two (2) years with the following exceptions:

5.3.1 The initial election of the Board of Directors shall elect the offices of President, Aircraft Maintenance Officer and Directors at Large for one (1) year only; and the offices of Vice-President, Secretary-Treasurer, and Safety Officer for two (2) years. Thereafter each office will serve two (2) year alternating terms

5.4 Election for Board of Directors will be held at the annual meeting in January. Members will be notified by written notice at least thirty (30) days prior to the meeting of the offices to be elected at the annual meeting. Any members wishing to have a position on the Board of Directors shall have qualifications appropriate to the office being sought, and adequate time necessary to perform the duties that office. Candidates for the aforementioned offices may declare their candidacy at any time prior to the vote being taken at the election.

5.5 Two individuals from the members present will be selected by the presiding officer and will constitute the election monitors. The election monitors will be responsible for taking nominations, distributing ballots, collecting ballots and tabulating the results.

5.6 Each member nominated must be present, and must verbally approve his/her name being entered as a candidate.

5.7 Each office to be filled at the election will be voted on a single ballot, or by roll-call vote.

5.8 In the event a candidate does not receive a majority of the votes cast for that office, a revote for that office will be conducted among the two candidates that received the most votes. In the event a tie still exists, a majority vote of the Board of Directors will determine the successful candidate.

ARTICLE 6 - OFFICERS

6.1 The Club Officers shall consist of a President, Vice President, Secretary, Treasurer, Safety Officer, and Maintenance Officer, who shall comprise the Board of Directors. The Officers are elected to represent the interests of the overall club membership. The term of office for the Officers begins immediately upon election and runs until the next election. The duties of each office are as follows:

6.1.1 **President:** The President shall preside at all meetings and be responsible for the conduct of all Club activities. The President is the chief executive officer of the Club. The President shall also have signature authority on all Club accounts and shall assume the function of the Treasurer in the event that the Treasurer is absent or incapacitated.

6.1.2 **Vice President:** The Vice President shall assume the duties of the President in the absence, incapacity or resignation of the President, as well as any other duties assigned by the Board of Directors.

6.1.3 **Secretary-Treasurer:** The Secretary-Treasurer shall take the minutes of all meetings and insure that all officers receive a timely copy of the minutes. Additionally, The Secretary-Treasurer is responsible for all financial matters of the Club, and shall maintain such accounts as are appropriate for the Club. All disbursements shall be through a Club checking account whenever possible.

The Secretary-Treasurer shall also prepare and submit a balance sheet and income/expense statement for the fiscal year and budget for the coming fiscal year for the review and approval by the membership at the annual membership meeting; and shall be responsible for the preparation of a financial forecast in accordance with sound financial practices.

ARTICLE 6 – OFFICERS (continued)

6.1.4 **Safety Officer:** The Safety Officer is responsible for recommending safe operating and flying procedures for the Club, as well as overseeing their implementation as appropriate. The Safety Officer shall be responsible for dissemination of appropriate training and flying information to the members. The Safety Officer is also designated as the Club Chief Pilot.

6.1.5 **Aircraft Maintenance Officer:** The Maintenance Officer is responsible for maintaining current information in the logbooks of the aircraft, for maintaining the Club's aircraft in proper operating airworthy condition, and for compliance with all Federal Aviation Regulations and Airworthiness Directives. The Maintenance Officer shall be responsible for all maintenance documents, including all aircraft, engine, avionics and propeller logbooks, and for the execution of all documents required for the completion of major repairs and overhauls. In addition, the Aircraft Maintenance Officer oversees Scheduling of Aircraft and resolution of scheduling conflicts among members.

6.2 In the event that any elected officer resigns, is incapacitated or is otherwise unwilling or unable to continue their duties:

6.2.1 The position may be left vacant with its duties reassigned by the President; or

6.2.2 The board may appoint a replacement for that position on an interim basis not to exceed 120 days by majority vote of a quorum the remaining board if enough board members remain to constitute a quorum. If insufficient board members remain to form a quorum then a unanimous vote is required.

6.2.3 The interim board member may be affirmed for the remaining duration of the original term by vote of the general membership at a special meeting held for such purpose with at least thirty (30) days' notice. The quorum for such vote shall be the members present that are eligible to vote.

6.2.4 In the event that a quorum of the membership does not vote at such a meeting, the position shall be filled on an interim basis again as described in paragraph a).

ARTICLE 7 – DUES AND FLIGHT TIME REQUIREMENTS

7.1 The Dues and Flight Time requirements are attached as Appendix A.

7.2 Monthly dues shall be computed on a not-for-profit basis so as to cover anticipated fixed expenses, maintenance expenses, future aircraft purchases, leases and upgrades; and a base amount to cover annual inspections, and reserves. However, a portion of individual aircraft insurance and/or aircraft loan (or lease) payments or allocable purchase charges or anticipated upgrade expenses may be covered in part by flight time charges so as to cover that portion of expenses which are in excess of the base amount covered under the monthly dues calculation.

7.3 Each member will assume a minimum monthly requirement for one (1) flight time hour (Hobbs hour) per month on average over each calendar quarter. In the event this requirement is not met, the member shall be invoiced at the end of each quarter for required time "not used" at a rate of \$40.00 per hour prorated.

7.4 Flight time hourly rates shall be "wet rates" (fuel included) with outside fuel and oil purchases reimbursable at actual member cost.

ARTICLE 8 – INVOICING OF DUES AND FLIGHT TIME (see Appendix A)

- 8.1 Prompt payment of monthly dues and flight time charges are critical to the financial stability of the Club. Therefore, each member shall submit credit card authorization to cover any applicable charges which may occur. .
 - 8.1.1 Monthly dues shall be charged at the beginning of each month with email notification to member.
 - 8.1.2 Flight time charges shall be charged for hours recorded with email notification to member.
 - 8.1.3 Minimum flight hour (not used) deficits if actual hours are less than the minimum required in ARTICLE 7 of these By-Laws.

ARTICLE 9 – OPERATING RULES

- 9.1 The Club Operational Rules are attached as Appendix B, incorporated by reference, and have the effect of the Club By-Laws.

ARTICLE 10 – LIABILITY AND DAMAGE TO AIRCRAFT

- 10.1 **Insurance:** The Club shall maintain insurance on all aircraft against damage to the hull from ground and flight damage, and liability insurance to protect the Club and its members against liability, actions, suits for damages, or judgements of third persons. The Board of Directors shall determine the adequacy of all insurance coverage. The Club assumes no responsibility to a Member for the results of any act or omission while operating Club aircraft except for the protection afforded by such policy or policies of insurance carried by the Club.
- 10.2 **Damage to Aircraft:** Damage to any aircraft shall be promptly reported to the Club Maintenance Officer or any other Club Officer. Members are directly responsible for the safe operation of any aircraft under their control. All aircraft are to be operated in accordance with the applicable Federal Aviation Regulations, the operating limitations of the aircraft as set forth by the manufacturer and Club Operational Rules. In the event of damage to a Club aircraft, its engine or equipment, which damage is proximately caused by an act or omission of a Club member, such member shall be liable for the damage sustained and may be assessed the uninsured, non-reimbursable cost of repair or replacement.
- 10.3 **Accident Investigation Committee:** The Club President may at his/her discretion; or the Board of Directors may by majority vote assemble an Accident Investigation Committee to review the events and causes of any accident involving loss, damage, destruction, or injury to the Club or its aircraft.
- 10.4 **Gross Negligence or Willful Damage:** If any member is found by the Accident Investigation Committee to have caused loss, damage, destruction, or injury to the Club or its aircraft, engines, or equipment through gross negligence or willful violation of any regulation or rule of the Federal Government, any state or the Club or while under the influence of drugs, alcohol or other substances, the member or the member's estate will be held liable for all such loss, damage, or destruction.

ARTICLE 11 – CLUB ASSETS – DISSOLUTION OF THE CLUB

11.1 Club members, by a two-thirds (2/3) majority vote, may elect to dissolve the Club for any reason with thirty (30) days prior written notice to all members of the Club. Upon the termination of the Club's affairs, liquidation of Club assets, and payment of Club liabilities, each member shall be entitled to receive a percentage of remaining funds proportional to the number of members remaining in the Club.

ARTICLE 12 – AMENDMENTS

12.1 Any amendment or modification to these By-Laws shall require the approval of two-thirds of the voting membership present at a meeting called for such a purpose. The Board of Directors may make decisions as to aircraft acquisition and disposition, set hourly flying rates, and set annual dues. A simple majority of the members present at any meeting called for such purpose may modify the Club Operational Rules or Appendix A.

Northern Colorado Flying Club, Inc. adopted by unanimous vote of a membership quorum and entered on the official records of the Club this __day of _____, 2017, in Loveland, Colorado.

ATTEST:

President

Secretary- Treasurer

Northern Colorado Flying Club Loveland, CO

Appendix A - Dues and Flight Time requirements – effective May 1, 2017

- 1) Monthly dues - \$85.00
- 2) Flight time hourly rate:
 N6642J - \$94.00 (wet)
- 3) Reimbursable fuel & oil – when at the Club home airport, members will charge all fuel purchases to the Club account. If fuel and/or oil is purchased away from Club home airport member may submit appropriate receipts for reimbursement.

Appendix B - The Club Operational Rules – effective May 1, 2017

FLIGHT RULES

- 1) A member must perform a thorough preflight inspection of the aircraft, including a visual inspection of the fuel quantity, prior to commencing flight. Any damage or discrepancies discovered by a member will be assumed to be the responsibility of the last user unless it has been reported previously to the Maintenance Officer. If a condition is discovered which may affect the airworthiness of the aircraft, the aircraft shall not be flown until cleared by the Maintenance Officer.
- 2) Each member must ascertain that the airworthiness and registration certificates; appropriate operating limitations information, and operator's manual are in the aircraft prior to commencing the flight.
- 3) All aircraft operating limitations must be observed. Aerobatic maneuvers are prohibited except those which are permissible under the operating limitations when the aircraft is operated in the utility category.
- 4) Flight plans must be filed with the FAA for flights over sparsely populated areas; mountainous, wooded, or desert terrain; or for extended overwater flight; and for all student solo cross-country flights in excess of fifty (50) miles.
- 5) Each member must have flown a check ride with a qualified and approved instructor during the preceding 12 months, subject to the following:
 - a. A pilot not having flown Club aircraft within a six (6) month period must take a check ride with a qualified and approved flight instructor.
 - b. A pilot qualified and approved to fly more than one type of aircraft in the club will take the annual check ride in the heaviest/fastest of such aircraft and the check ride will qualify the pilot to fly all other aircraft in which he/she has been approved to fly. The ranking of the Club's aircraft for this paragraph will be made by the Safety Director.
 - c. The check ride will include maneuvers and procedures appropriate to the aircraft flown and the pilot certificate held.
 - d. Other specialized aircraft may be subject to additional rules.
- 6) Members using Club aircraft for Instrument Flight Rules (IFR) flights must have had an instrument proficiency check during the past 12 months with a qualified and approved flight instructor.

Appendix B - The Club Operational Rules (continued)– effective May 1, 2017
FLIGHT RULES

- 7) Except in emergencies, Club aircraft shall be flown from and landed on airfields with by the hard-surfaced runways in good condition with suitable length and width for the proposed operation.
- 8) Club aircraft may not be used to give flight instruction to anyone except Club members, by authorized instructors who also are Club members.

Appendix C – Aircraft Care and Maintenance – effective May 1, 2017

- 1) Upon completion of a flight, the pilot must tidy up the aircraft. Waste paper and extra charts (a sectional chart for the local area should be kept in the aircraft) will be removed, seat belts will be straightened, etc.
- 2) Re-fueling of the aircraft should be completed at the end of a flight unless other arrangements have been made.
- 3) No member (except the Aircraft Maintenance Officer) may perform any maintenance on Club aircraft, other than preflight inspection, without authorization from the Aircraft Maintenance Officer.

Appendix D – Scheduling Rules - effective September 1, 2016

- 1). The rules set forth in this Appendix are intended to provide fair and equitable scheduling opportunity to each member of the Club.
- 2) As a general rule, scheduling of aircraft will be on a first come – first served basis, with the following exceptions:
 - a. Multi-day reservation requests must be submitted fourteen (14) days in advance for approval to the Aircraft Maintenance Officer. The request must be secured by prepayment of flight time charges equal to the number of days scheduled, times the two hour minimum as outlined in paragraph “b” herein.
 - b. Whole day occupation of Club aircraft will be subject to a minimum two (2) hour charge.
- 3) Any reservation violating the spirit of this policy may be immediately stricken by the Aircraft Maintenance Officer.

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