

CONSTITUTION AND BYLAWS OF THE HIGH FLIGHTS SOARING CLUB, INC.

ARTICLE I - NAME AND PRINCIPAL OFFICE

Section 1. The name of this corporation shall be THE HIGH FLIGHTS SOARING CLUB. INC.

Section 2. The principal office of the Corporation shall be co-located with the physical location of its owned aircraft, at the address shown on the aircraft registration certificate(s). This, however, shall not preclude the individual officers of the Corporation from conducting business peculiar to their respective offices from their personal addresses.

ARTICLE II - PURPOSE

Section 1. The purpose of this Corporation shall be to provide flying facilities for its members on a non-profit basis and to encourage training in ground school and flight instruction in sailplanes (gliders).

Section 2. It shall also be the aim of this Corporation to promote gliding and soaring locally and nationally.

ARTICLE III - MEMBERSHIP

Section 1. Membership in the Corporation shall consist of six classes: Active, Associate, Courtesy, Exploratory, Non-Resident and Emeritus members.

Section 2. New Active Members may be admitted to the Corporation upon the affirmative vote of a majority of the Board of Directors. Associate, Courtesy and Exploratory Members may be admitted by an officer of the Corporation or the Line Chief of the Day.

Section 3. An Active Member shall be entitled to participate in all Corporation activities and to utilize all Corporation equipment subject to such rules and regulations provided in the Corporation Bylaws, the Pilots Information File, and Federal Air Regulations. A person duly elected to the Corporation shall be deemed an Active Member upon payment of the initial fee as prescribed in the Bylaws and upon signing a release of claims against

the Corporation. Further provided, an Active Member must carry on any aircraft he owns and flies in club operations liability insurance equal to liability coverage held by the Club.

Section 4. An Associate Member is defined as a member who, upon payment of the prescribed fees and upon signing a release of claims against the corporation, is entitled to operate a privately owned sailplane from the High Flights Soaring Club glider strip at the same tow fees charged regular Active Members. However, an Associate Member may not operate Club owned or leased sailplanes and is not entitled to vote. Further provided, the Associate Member must carry liability insurance equal to liability coverage held by the Club. An Associate Member may exercise the privileges of Associate Membership during no more than three weekends or camps in any calendar year.

Section 5. A Courtesy Member shall be individually sponsored by an Active Member and will be entitled to participate without fee in Corporation activities excepting that he shall not hold office, vote, nor be entitled to solo or take instruction in any flying equipment operated by the Corporation. Such a person admitted to the Corporation shall be deemed a Courtesy Member upon signing a release of claims against the Club and so long as his sponsor remains a member in good standing.

Section 6. An Exploratory Member shall be admitted upon signing a release of claims against the Corporation and payment of fees prescribed by the Board of Directors. Such admission entitles the applicant to exploratory flight(s) as a passenger or student with a view to encouraging subsequent Active membership. An exploratory membership flight shall be piloted by either a commercial rated glider pilot or a certified flight instructor (glider). The Exploratory Member is not otherwise entitled to participate in activities of the Corporation, to vote or hold office.

Section 7. A minor must have the written consent of his parents or guardian to be elected to any class of Membership in the Corporation, and the parents or guardian and the minor must sign the Corporation's release of claims before flying in any Corporation equipment.

Section 8. A Member may withdraw from the Corporation thirty (30) days after giving written notification to the Secretary, or upon approval of the Board of Directors, and after fulfilling all obligations to the Corporation.

Section 9. Additional members of the same family residing in the same household may be admitted to Active Membership at half the standard initiation fee, and shall pay other fees as prescribed in the fee schedule.

Section 10. An Active Member in good standing may request to be transferred to Non-Resident Member status if he satisfies the following criteria:

- (1) Normally, his full-time residence is outside the state of Colorado.
- (2) He has been an active member in good standing for the previous 12 months.

A Non-Resident member shall pay an annual assessment as designated by the Board of Directors. He is not entitled to vote. He may operate club equipment in no more than three months of any calendar year and only upon satisfaction of qualification and proficiency to the Flight Committee. He may operate club equipment only if he is an SSA member as required for insurance purposes. He must pay monthly dues for any month that he operates High Flights equipment. Should he wish to operate club equipment in more than three months in a calendar year, the Non-Resident member must petition the club to return to Active membership status. Should his full-time residence return to the state of Colorado, he must petition the club to return to Active Membership status. In either case, he shall have priority over new applicants to return to Active Membership status as vacancies occur.

Section 11. An Emeritus member is a long standing active member who has elected to be on long term non-flying status for medical or age reasons. Upon informing the board that they will no longer be flying solo or as PIC, the board may, by majority vote grant the member Emeritus Membership. An Emeritus Member has all the rights of an active member (while still in the resident membership area) except flying privileges. Monthly dues are waived for Emeritus Members. Members may request to return to active status if their situation changes.

ARTICLE IV - MEETINGS

Section 1. Annual Meeting.

a. One Annual Meeting of the Members shall be held each year during the month of December or the month of January at a time and place to be determined by the Board of Directors.

b. The Annual Meeting is for the purpose of receiving the annual reports of the Corporation Officers, Directors, and Committees; for the election of Officers and Directors; for publicly acknowledging the soaring achievements and contributions to the well being of the Club by individual members; and for such other business as may properly come before such meeting.

c. Notice of the Annual Meeting shall be sent by the Secretary to each member by mail not less than fifteen (15) days before the meeting. The notice shall set forth the time, place, and agenda of such meeting.

d. The meeting of the Members at which time these Bylaws are adopted shall be the Annual Meeting for the first calendar year.

Section 2. Monthly Meetings. Monthly meetings shall be held by the Board of Directors. The Board may change the date of any Board meeting provided members are notified one week in advance.

Section 3. Special Meetings.

a. Special Meetings of the Members may be called at the discretion of the President, or a majority of the Directors, or by written petition of at least one-fourth (1/4) of the Active Members. It shall be the duty of the Secretary to call such meetings within ten (10) days after such demand.

b. Notice of Special Meetings of Members, stating the time, place and agenda thereof, shall be given to each member at least five (5) days before such meeting.

c. A Special Meeting will be limited to the published agenda, unless the entire active membership is in attendance, in which case other business may be introduced after the published agenda is considered.

Section 4. Quorum. The presence in person or by written proxy of a majority of the Active Members of the Organization is necessary to constitute a quorum at each Annual or Special Meeting. A lesser number shall adjourn to some future time not less than seven (7) days later. The Secretary shall give notice of the adjourned meeting at least three (3) days before to each active member absent from the Meeting.

Section 5. Voting.

a. Each Active Member in good standing is entitled to one vote.

b. Each Active Member in good standing may designate any other Active Member as proxy provided written authorization is filed with the Secretary. Such authorization shall be dated and shall be valid for only one meeting. An Active Member may accumulate and vote no more than two (2) proxies at any one meeting.

c. A majority vote of the members present or by proxy is controlling unless otherwise specified in these Bylaws.

ARTICLE V - BOARD OF DIRECTORS

Section 1. The Board of Directors shall be composed of five (5) members: the four (4) Executive Officers of the Corporation, and one Director At Large elected by the other four Directors.

Section 2. Duties and Powers.

a. The government of the Corporation shall be vested in the Board of Directors, who shall have the power to make all necessary contracts, to borrow money, to secure the same by mortgage, or deed of trust to the property of the Corporation, and as evidence of

indebtedness secured by such mortgage or deed of trust, to issue bonds therefore, to pay and discharge all debts, and to do all matters and things necessary or incident to, or in aid of, the carrying out of the aim and purpose of the Corporation; and they shall have the charge and control of all its property, and may levy assessments upon the Members in the manner and subject to such rules, regulations and restrictions provided in these bylaws.

b. Any assessment recommended by the Board of Directors must be approved by a three-fourths (3/4) vote of the entire Active Membership before becoming effective. The vote on any assessment shall be by written ballot.

c. Any decision of the Board of Directors may be repealed by an affirmative vote of three-fourths (3/4) of the entire Active Membership.

Section 3. Meetings.

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

b. 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.

c. Notice of Special Meetings of the Board of Directors, stating the time, place and agenda, shall be mailed or personally given to each Director no later than the day preceding the day appointed for the meeting.

d. Three (3) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least three (3) Directors shall be necessary to pass any resolution or authorize any act of the Corporation.

Section 4. Vacancies. Any vacancy in the Board of Directors occurring during the year through death, resignation, removal, or any other cause, shall be filled for the unexpired portion of the term by a majority vote of the remaining Directors. An exception to this rule shall be that in the event of three (3) or more vacancies in the Board of Directors occurring at any one time, they shall be filled by vote of the Active Members at a meeting duly called.

Section 5. Standing Rules.

a. Each member of the Board of Directors shall serve without compensation or reward, except as otherwise provided by these Bylaws.

b. No Officer nor any member of the Board of Directors shall be interested either directly or indirectly in any contract relating to the operations conducted by the Corporation nor in any contract for furnishing supplies or equipment thereto, unless

specific exception is made by the affirmative vote of two-thirds (2/3) of the Active Members present at the meeting.

c. The Board of Directors shall cause to be kept a complete record of all its acts and proceedings and to publish same in minutes, which shall be reviewed at the Board's next monthly meeting.

ARTICLE VI - OFFICERS

Section 1. The Executive Officers of the Corporation shall be the President, Vice-President, Secretary, and Treasurer.

Section 2. The Executive Officers shall be elected by the Active Members at the Annual Meeting of the Corporation.

Section 3. The Executive Officers shall hold office for twelve (12) months or until their successors are elected and qualified.

ARTICLE VII- PRESIDENT

Section 1. The President is the chief Executive Officer of the Corporation.

Section 2. The President shall preside at all membership meetings, and at all meetings of the Board of Directors.

Section 3. He shall appoint all committees with the approval of the Board of Directors. He shall be an ex officio member of all committees.

Section 4. He shall sign and execute all contracts in the name of the Corporation when authorized to do so by the Board of Directors; appoint and discharge agents and employees, or delegate this duty as he may elect, subject to the approval of the Board of Directors; and he shall have general supervision over the management of all affairs of the Corporation.

Section 5. He may execute checks in the name of the Corporation for expenditures authorized by the Board of Directors when the Treasurer is unavailable.

ARTICLE VIII - VICE-PRESIDENT

Section 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.

Section 2. The Vice-President shall also perform such duties in connection with the operation of the Corporation as he may undertake at the suggestion of the President.

ARTICLE IX - SECRETARY

Section 1. The Secretary shall perform all duties incident to the Office of the Secretary, subject to the control of the Board of Directors, including: he shall keep the minutes of all proceedings of the members and of the Board of Directors in club files accessible to the members. He shall attend to the giving and serving of notices of all meetings of the Members and of the Board of Directors. He shall keep a proper membership roster showing the name of each member of the Corporation, the Bylaws, the Corporation Seal, if any, and such other books, records, and papers as the Board of Directors may direct. He shall execute with the President, in the name of the Corporation, all certificates of membership, contracts, and instruments which have been first approved by the Board of Directors.

Section 2. The Secretary shall also perform such duties connected with the operation of the Corporation as he may undertake at the suggestion of the President.

ARTICLE X - TREASURER

Section 1. The Treasurer shall perform all duties incident to the Office of the Treasurer subject to the control of the Board of Directors, including: he shall execute in the name of the Corporation checks for expenditures authorized by the Board of Directors. He shall receive and deposit all funds of the Corporation in the bank(s) selected by the Board of Directors, which funds shall be paid out only by checks as herein before provided. He shall account for all receipts, disbursements, and balance on hand.

Section 2. The Treasurer, together with the President, shall prepare the annual budget and submit it to the Board of Directors for their approval.

Section 3. The Treasurer, shall also perform such duties connected with the operation of the Corporation as he may undertake at the suggestion of the President.

ARTICLE XI - FLIGHT COMMITTEE

Section 1. The Board of Directors shall elect a Flight Committee Chairman. Executive Officers may additionally serve as Flight Committee Chairman.

Section 2. The Flight Committee Chairman shall hold office for twelve (12) months or until his successor is elected and qualified. He shall make monthly reports to the Board of Directors.

Section 3. The Flight Committee Chairman shall appoint additional Active Members as required to serve on the Flight Committee, subject to the approval of the Board of Directors. On each flying day the Line Chief of the Day shall serve as a Flight Committee member for that day.

Section 4. The Flight Committee shall bear the responsibility for drawing up a set of flight rules, documented in the Pilots Information File, for the Corporation that shall be submitted to the Board of Directors and, when adopted by a majority vote of the Board, shall be binding on all Members of the Corporation. The Flight Rules shall supplement but may not supersede any of the Federal Aviation Agency's regulations or the provisions of these Bylaws.

Section 5. The Flight Committee Chairman shall supervise all flying activities and has the authority to ground the Corporation equipment or personnel when he feels that the operation of the equipment, or the operation of the equipment by any individual, would act to the detriment of the Corporation's interests. He may restrict the operation of the equipment to particular fields, and disallow the operation of the equipment for particular flight plans. This authority may be delegated by the Chairman to the Line Chief of the Day. The grounding of any member of the Corporation for more than one week shall be reviewed by the Board of Directors at their next regular meeting or at a special meeting called for that purpose.

Section 6. The Flight Committee shall make a detailed report to the Board of Directors of any accident involving Corporation equipment. This report shall recommend any action required.

ARTICLE XII - MAINTENANCE OFFICER

Section 1. The Board of Directors shall appoint a Maintenance Officer who shall coordinate with owners of club operated leased equipment for proper maintenance.

Section 2. The Maintenance Officer shall have the duty to see that the Corporations equipment is maintained properly at all times and will periodically report to the Board of Directors on the Corporation's maintenance operations and requirements.

ARTICLE XIII - SPECIAL COMMITTEES

Section 1. Special Committees may be formed by the President at any time as deemed necessary or advantageous to the Corporation.

Section 2. Chairmen of Special Committees shall attend Board of Directors meetings when they have business to transact.

ARTICLE XIV - SUSPENSION, EXPULSION, AND REMOVAL FROM OFFICE

Section 1. A Member may be removed from office, suspended for a period, or expelled for cause, such as violation of any of these Bylaws, or Flight Regulations, or other Rules of the Corporation, or for conduct prejudicial to the best interests of the Corporation. Such removal, suspension, or expulsion at a Special Meeting, provided that a statement of the charges and a notice of the time and place of the Special Meeting have been mailed to the Member at least fifteen (15) days before the Special Meeting, and that the Member will have an opportunity to present a defense at the meeting. Voting by mail or proxy shall not be permitted at such Special Meeting.

ARTICLE XV - FINANCES

Section 1. The Board of Directors shall establish a schedule of fees that shall be sufficient to pay the Corporation's expenses and to maintain the value of the Corporation's assets.

Section 2. Any member who has failed to pay his dues or any sum owed to the Corporation within sixty (60) days after said sums are due shall be considered a delinquent Member, and shall be so notified by certified mail. When a delinquent Member fails to pay his dues, to pay any sum owed to the Corporation, or to make appropriate arrangements with the Board of Directors for the payment thereof, within ninety (90) days after the due date, the Member shall be suspended from operation of corporation equipment. The Board of Directors shall then evaluate the apparent intention of the member to either restore his active status or resign.

Section 3. The fiscal year shall be from January 1 through December 31.

Section 4. Annually, within sixty (60) days from the end of the fiscal year, the books and accounts shall be audited by a special auditing committee of two (2), appointed by the President with the advice and consent of the Directors. The Board of Directors, by a majority vote, may cause an independent audit to be made by an outside auditing firm at any time when in their judgment it is deemed advisable.

Section 5. The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Corporation's treasury for the purchase of new equipment, for contingencies, or for the purpose of reducing the hourly rates for flying, as shall be determined by the Board of Directors. The net savings in any event shall not be distributed to the Members for their individual use.

Section 6. The Corporation shall insure that the lessor of all equipment operated by the Corporation carries adequate hull insurance on all leased aircraft against ground and flight damage and shall carry adequate liability insurance to protect the Corporation and its Members against suit by third parties or another Member of the Corporation.

Section 7. Each member operating corporation equipment shall be liable for injury or death of his own person. However, liability insurance carried by the corporation covers passengers and others that may be injured by the member pilot. Operation of corporation equipment in violation of FAA or Corporation regulations may not be insured and therefore becomes the financial responsibility of the violating member.

ARTICLE XVI - AMENDMENTS

Section 1. Amendments of these Bylaws may be made by a two-thirds (2/3) vote of the Active Members of the Corporation in good standing. Amendments may be acted upon at any meeting of the members or by mail ballot, provided the substance of the proposed amendment shall have been stated in the notice of the meeting and that each Member shall have had at least one week's notice in advance of such proposed amendment.

ARTICLE XVII- DISSOLUTION

Section 1. The Corporation may be dissolved by an affirmative vote of two-thirds (2/3) of the Active Members.

Section 2. Funds received from the sale of all Corporation assets at the time of dissolution shall, after all obligations of the Corporation have been paid, be given to a worthy organization with similar purpose.