

Bylaws of Desert Flying Club

Desert Flying Club – A Nevada Nonprofit Corporation

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1 ARTICLE I – NAME

- 1.1 NAME – The name of this corporation is “Desert Flying Club” hereafter referred to as “DFC”

2 ARTICLE II – PURPOSE AND ACTIVITIES

- 2.1 PURPOSE – It is the purpose of DFC to:
 - 2.1.1 Provide a safe, well maintained fleet of aircraft to our membership AND
 - 2.1.2 Promote safety in general aviation through ongoing training and education AND
 - 2.1.3 Any other activities authorized by the Board of Directors that is consistent with the DFC Articles of Incorporation and these Bylaws.

3 ARTICLE III – LOCATION

- 3.1 The principal office of DFC operations is located at: 1522 W Warm Springs Rd, Henderson, NV 89014
 - 3.1.1 The location of the principal office may be changed. Any changes shall be noted, but will NOT be considered an amendment to these bylaws.

4 ARTICLE IV – MEMBERSHIP

- 4.1 PILOT CERTIFICATES – All members are required to possess a pilot certificate, or be actively working towards obtaining a certificate. Any member who is a student pilot and discontinues training with DFC is subject to immediate suspension or removal from DFC by the Board of Directors.
- 4.2 APPLICATION PROCEDURE – All prospective DFC members are subject to the following application procedure:
 - 4.2.1 PROVISIONAL MEMBERSHIP – Applicants become a provisional member in good standing upon:
 - 4.2.1.1 Receipt of properly completed application by any club officer or designated briefer AND
 - 4.2.1.2 Receipt of briefing on club operations and safety by any club officer or designated briefer AND
 - 4.2.1.3 Payment of any initiation fees and club dues.
 - 4.2.2 PILOT MEMBERSHIP – Applicants become a full member in good standing upon:

- 4.2.2.1 Approval of application by 2 club officers or members of the Board of Directors AND
- 4.2.2.2 Completion of a Flight Review by a CFI approved by the Board of Directors or Chief Flight Officer as defined below:
 - 4.2.2.2.1 Demonstrate completion of a club checkout and flight review by providing a copy of logbook endorsement by a DFC approved CFI to the Membership Officer
- 4.2.3 FAMILY MEMBERSHIP - Each applicant becomes part of a family membership in good standing upon each applicant meeting the same requirements as a pilot member. In addition:
 - 4.2.3.1 Up to four (4) individual pilots may be included under this membership type.
 - 4.2.3.1.1 Family is defined as spouses and immediate children only.
 - 4.2.3.2 Family members must be fully certificated pilots to qualify for family membership.
- 4.2.4 STUDENT MEMBERSHIP - Applicants become a student member in good standing upon:
 - 4.2.4.1 Approval of application by 2 club officers or members of the Board of Directors AND
 - 4.2.4.2 Completion of a Flight Review, if applying for a pilot membership, by a CFI approved by the Board of Directors or Chief Flight Officer as defined below:
- 4.2.5 Demonstrate completion of first instructional flight by providing a copy of logbook endorsement by a DFC approved CFI to the Membership Officer.
- 4.2.6 SOCIAL MEMBERSHIP - Applicants become a full member in good standing upon:
 - 4.2.6.1 Approval of application by 2 club officers or members of the Board of Directors.
 - 4.2.6.2 All membership types include social membership of member's immediate non-flying family, for the purpose of club social activities.
- 4.3 CERTIFIED FLIGHT INSTRUCTORS – A Certified Flight Instructor (CFI) may apply to be a full member of DFC and to be able to instruct in DFC aircraft under the following provisions:
 - 4.3.1 Hold and maintain a current Certified Flight Instructor certificate.
 - 4.3.2 Acknowledge that the CFI is an independent contractor by signing the CFI agreement form.
 - 4.3.3 For other than incidental flight instruction, hold and maintain a valid business license in the jurisdiction where flight instruction is offered.
 - 4.3.4 For other than incidental flight instruction, hold and maintain an agreement with any other government agency as required for flight instruction in that jurisdiction.

- 4.3.5 Indemnify and hold harmless DFC for any business losses, legal costs, or other costs incurred during the time of flight instruction.
- 4.3.6 Flight Instructors will be considered limited members of the club, therefore are not responsible for paying membership dues unless the CFI wants to rent aircraft through the club for personal purposes, in which case they would need to be full dues-paying members.
 - 4.3.6.1 CFIs must instruct at least ten (10) hours per year in club aircraft to club members in order to maintain a free CFI membership.
- 4.3.7 CFIs must take initial and recurrent TSA training required by law. They are also responsible for ensuring compliance with any regulations regarding alien flight training.
- 4.4 RESTRICTIONS – No applicant, provisional member, or full member may operate any club aircraft until the applicant or member completes the requirements listed in 4.2 above.
- 4.5 APPLICABLE RULES – All members of DFC privileged to pilot club aircraft are subject to these bylaws as well as all current Operational and Financial Rules.
- 4.6 MEMBERSHIP SUSPENSION – Membership may be suspended without cause by any member of the Board of Directors or Club Officer. Suspensions will be reviewed by the Board of Directors and may be reinstated or revoked by majority vote. Memberships shall be suspended immediately and without notice for the following reasons:
 - 4.6.1 Involvement in an accident or incident while operating club aircraft resulting in damage to any club aircraft, other person(s) or property.
 - 4.6.2 Violation of any FAA rule or regulation.
 - 4.6.3 Violation of any DFC Bylaws or Operational and Financial Rules.
- 4.7 MEMBERSHIP REVOCATION – DFC Membership is a privilege and can be revoked at any time by a majority vote of the Board of Directors.

5 ARTICLE V – AIRCRAFT LESSORS

- 5.1 MAINTENANCE – All members acting as pilot in command of and DFC rental aircraft are responsible for ensuring that the aircraft is airworthy prior to each flight. Any discrepancies, issues, or airworthiness shall be reported immediately to the Maintenance Officer or designee.
 - 5.1.1 Aircraft lessors may choose to arrange and coordinate maintenance required for aircraft leased to DFC so long as they maintain the aircraft according to FAR 61 and FAR 91

- 5.1.2 Aircraft lessors may alternately choose to allow DFC to arrange and coordinate maintenance required for aircraft leased to DFC
 - 5.1.2.1 Fees for maintenance coordination will be billed, along with all maintenance costs, on itemized leaseback statement in accordance with the Leaseback Agreement.
- 5.2 FUEL COSTS – The Aircraft Lease Agreement defines the type of aircraft lease, either wet (fuel included) or dry (fuel not included). If the Aircraft Lease Agreement is a wet, Aircraft Lessors are solely responsible for the cost of all fuel required for aircraft leased to DFC. If the Aircraft Lease Agreement is dry, the member flying the aircraft is responsible for the Fuel Costs during that flight. The Aircraft Lessor is responsible for Fuel Costs for any maintenance, ferry flights, or non-rental flights. DFC shall only have one type of lease, wet or dry, for all aircraft in its fleet for rental uniformity.
- 5.3 SUPPLIES – Aircraft Lessors are solely responsible for all miscellaneous supplies required for aircraft leased to DFC.
- 5.4 DFC BILLING – Maintenance, Fuel, or other supplies may occasionally be furnished by DFC in accordance with the Aircraft Lease Agreement. Such costs will be itemized on the next statement from DFC and added to the amount due or deducted from any payment to the owner as necessary and appropriate.

6 ARTICLE VI – BOARD OF DIRECTORS

- 6.1 POWERS – Except as defined herein, all activities and affairs of DFC shall be managed as well as all corporate powers exercised under the sole direction of the Board of Directors.
- 6.2 NUMBER OF DIRECTORS – The number of directors shall be five (5)
- 6.3 TERM – Board members shall serve a term of two (2) years. The initial President, Secretary, and VP/CFO shall serve an initial term of three (3) years to provide for staggered elections.
- 6.4 VACANCIES – If, for any reason, a Director position becomes vacant, the Board shall appoint a successor for the remainder of the term of the vacating Director.
- 6.5 REMOVAL – Any Director can be removed from office with or without cause by a majority vote of a quorum of the members.
- 6.6 ELECTION OF DIRECTORS – Members of the Board of Directors shall be elected by the membership in accordance with the following:
 - 6.6.1 VOTING – Directors shall be elected by a majority of the membership present at the October membership meeting defined in Article 9.1.

- 6.6.2 NUMBER OF CANDIDATES – No more than three (3) members of the Board can be up for election at a time.
- 6.6.3 NOMINATIONS IN PERSON – At the July meeting of the members defined in Article 9.1 any member may place the name of a member in nomination, including their own, to the Secretary.
- 6.6.4 WRITTEN NOMINATION – Written nominations for the Board of Directors is accepted by the Secretary up to sixty (60) days before the July meeting. The Secretary will publish these nominees in the notice sent to members of the July meeting date and time.
- 6.6.5 SOLICITATION OF VOTES – The Board shall formulate procedures that allow a reasonable and equal opportunity for a nominee to communicate to members the nominee's qualification and reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees.
- 6.6.6 USE OF CLUB FUNDS TO SUPPORT NOMINEES – No Club funds may be expended to support any nominee.
- 6.7 COMPENSATION – Directors may not receive compensation for their duties as members of the Board of Directors. Directors may receive compensation for their services while performing other duties as may be approved by Board resolution.
- 6.8 MAJORITY VOTE – To successfully gain approval, any piece of business before the Board will require a majority vote of a quorum of the Board of Directors.
- 6.9 QUORUM – 3 members of the Board of Directors shall constitute a quorum.
- 6.10 REGULAR MEETINGS – Regular Board meetings shall be held at least four times per year at such time and place as the Board may fix, provided that the first meeting of the Board shall be held no later than November for the purpose of selecting officers.
- 6.11 SPECIAL MEETINGS – Special meetings of the Board may be called at any time by any member of the Board of Directors or any club officer at any time a quorum of the board is present.
- 6.12 SIGNING AUTHORITY- Two members of the Board of Directors shall sign all legal documents that bind the club in any legal contract. In the event that the legal contract cannot accept two signatures, the single signer must obtain authority from two other members of the Board of Directors.
- 6.13 ADDITIONAL RESPONSIBILITIES - The Board of Directors may assign to any member any duty or office which the Board deems appropriate and necessary to the conduct of the Club and which is not otherwise expressly provided for in these bylaws.

- 6.14 EMPLOYEES - The Board of Directors may engage paid personnel from outside the Club membership to perform such services in behalf of the Club as the Board deems appropriate and necessary.
- 6.15 ENFORCEMENT - The Board of Directors shall have the power and authority to promulgate and enforce all rules and regulations pertaining to the use and operation of Club property and to do and perform, or cause to be done and performed, any and every act which the Club may lawfully do and perform.
- 6.16 INDEMNIFICATION - All officers and directors shall be indemnified for actions taken that were reasonably believed to be within their scope of authority.
- 6.17 COMMITTEES - DFC shall have the following standing committees: [i] Membership Committee; and [ii] Marketing Committee. As the need arises, the Board may create and may appoint willing members to ad hoc committees.
- 6.18 RIGHT TO INSPECTION – Every Director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind, and physical properties of DFC.

7 ARTICLE VII – OFFICERS

- 7.1 CLUB OFFICERS – The officers of DFC shall be a President, Chief Financial Officer, Secretary, Membership Officer, Safety Officer, Chief Flight Officer, Maintenance Officer and a Fleet Operations Officer for each airport of operation.
- 7.2 TERM – Officers are elected by the Board of Directors for a term of two (2) years starting January 1 and ending December 31 the following year.
- 7.3 ELECTION – DFC Officers are elected by a majority vote of a quorum of the Board of Directors. Voting procedures shall be prescribed by the Board of Directors.
- 7.4 VACANCIES – If any office becomes vacant, whether by resignation, removal or otherwise, the Board of Directors may appoint a successor for the un-expired term, or delegate the responsibilities of that office to any remaining Officer.
- 7.5 OFFICER ROLES – DFC officers shall have the following responsibilities:
- 7.5.1 PRESIDENT – Subject to the control of the Board of Directors, the President shall be the general manager of the Club and shall supervise, direct and control the Club's activities, affairs and Officers. The President shall preside at all members meetings and at all Board meetings. The President shall also be responsible for arranging and coordinating each general membership meeting held during the year. This position is automatically a member of the board of directors.

- 7.5.2 VICE PRESIDENT / CHIEF FINANCIAL OFFICER – Subject to the control of the Board of Directors, the Chief Financial Officer shall keep and maintain adequate and correct books and accounts of the Club's assets and transactions. The Chief Financial Officer shall send or cause to be given to the members and Directors such financial statements and reports as required to be given by law, by these Bylaws, or by the Board of Directors. The Chief Financial Officer shall deposit money and valuables in the name and to the credit of the Club, shall disburse the Club's funds as the Board of Directors may order, shall render to the Board of Directors, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the Club. If the President is absent or disabled, the Chief Financial Officer shall perform all the duties of the President. When so acting, the Chief Financial Officer shall have all powers of, and be subject to all restrictions on the President. This position is automatically a member of the board of directors.
- 7.5.3 SECRETARY – Subject to control of the Board of Directors, the Secretary shall keep a book of minutes of all meetings, proceedings and actions of the Board, of committees of the Board, and of members meetings. The Secretary shall keep and maintain a copy of the Articles of Incorporation, and Bylaws of the Club, as amended to date. The Secretary shall publish and distribute the Club's newsletter at least once a year. The Secretary shall give, or cause to be given, notice of all meetings of members, of the Board, and of committees of the Board required by these Bylaws to be given. This position is automatically a member of the board of directors.
- 7.5.4 MEMBERSHIP OFFICER – Subject to control of the Board of Directors, the Membership Officer shall keep in a safe place, all new and renewal membership applications, a record of the Club's members, showing each member's name, address, telephone number, a copy of their pilot certificate, current medical, and other relevant information, shall assist applicants and members with membership questions, and be primarily responsible for setting up, collecting, and maintaining the Club's membership records.
- 7.5.5 SAFETY OFFICER – Subject to control of the Board of Directors, the Safety Officer shall conduct safety meetings for DFC membership, enforce compliance to safety rules defined in the DFC Operational Rules, investigate and report to the Board of Directors or club President any safety related incidents or issues related to DFC Airport operations, monitor and to work to promote a safety conscious environment.

- 7.5.6 CHIEF FLIGHT OFFICER – Subject to control of the Board of Directors, the Chief Flight Officer shall keep maintain a current list of DFC approved CFI's and checkout instructors in accordance with the DFC Operational Rules. The Chief Flight Officer shall conduct safety meetings for DFC approved CFI's and Checkout Instructors and enforce instructor safety rules defined in the DFC Operational Rules. The Chief Flight Officer shall monitor and report to the board any issues relating to the training environment at DFC and work to promote best practices in instruction and an emphasis on safety in training. The Chief Flight Officer shall be the primary point of contact for any technical resources, developing training aids, and creating and maintaining standard operating procedures related to DFC aircraft.
- 7.5.7 FLEET OPERATIONS OFFICER(S) – Each Fleet Operations Officer shall coordinate and manage the daily operations for Club aircraft at the airport of their responsibility, including, but not limited to, aircraft insurance, member scheduling, aircraft lease arrangements, collection activities, and flight payment deposits.
- 7.5.8 MAINTENANCE OFFICER - Subject to control of the Board of Directors, the Maintenance Officer shall keep track of all pilot squawks, monthly aircraft operations work sheets, aircraft inspection status and aircraft log books. The Maintenance Officer shall have power to ground any aircraft at any time as he deems necessary. All aircraft and aircraft log books returning for service after an annual inspection shall be reviewed by the Maintenance Officer before returning to service.
- 7.5.9 ADDITIONAL POWERS – Any Officer shall have such additional or revised powers, duties, and responsibilities as the Board or the Bylaws may prescribe.
- 7.6 COMPENSATION AND REIMBURSEMENT –DFC Officers may receive such compensation for their services, and such reimbursement of expenses, as may be approved by Board resolution.
- 7.7 REMOVAL – An Officer may be removed from an Officer position at any time and without cause by the majority vote of a quorum of the Board of Directors.
- 7.8 MORE THAN ONE DUTY – An individual may serve in more than one Officer position, except President and Secretary, in which each position shall be held by a separate individual.
- 7.9 BOARD MEMBERS AS OFFICERS – Other than President, Vice President/Chief Financial Officer, and Secretary, members of the Board of Directors may serve as DFC Officers with a two thirds (2/3) majority vote of a quorum of the Board of Directors.

7.10 DELEGATION OF DUTIES – At the sole discretion of the Board of Directors the duties defined in Article 7.5 may be delegated in part or in full to another club Officer or member of the Board of Directors as is necessary to best facilitate DFC operations.

8 ARTICLE VIII – FINANCES

- 8.1 FISCAL YEAR – The Club’s fiscal year begins January 1st and continues until the following December 31st.
- 8.2 DUES – Membership dues, sufficient to cover the fixed and administrative costs of Club operation, shall be established by the Board of Directors and defined in the DFC Operational and Financial Rules.
- 8.3 SIGNING AUTHORITY- Two members of the Board of Directors shall sign all checks executed in the name of the club.
- 8.4 HOURLY FLYING RATES – The hourly flying rates shall be established by the Board and incorporated into the Club's Operational and Financial Rules and the aircraft lease agreements.
- 8.5 PAYMENT FOR FLIGHT TIME – Flight time shall be paid for by the member's check credit card on file or other acceptable form of payment immediately upon completion of each flight operation. For some flights a club officer may require the member to pay a pre-flight reservation deposit.
- 8.6 PAYMENT FOR CLUB DUES – Club dues can be paid quarterly, semi-annually or annually through an automated billing system. In the event that club dues are not paid within 15 days after the due date, the member’s status will be suspended until the fees are paid. The member cannot fly club aircraft, participate in voting, nor attend club events with late club membership dues. Late fees and surcharges will be collected as defined in DFC Operational and Financial Rules.
- 8.7 COLLECTIONS AND FEES – All payment and collection of funds due to the club by members are subject to fees and surcharges defined solely by the Board of Directors in the DFC Operational and Financial Rules.
- 8.8 AIRCRAFT INSURANCE – The Board of Directors shall ensure that liability and hull insurance policy is maintained covering each aircraft and shall incorporate the terms of such policy into the Club's Operational and Financial Rules. A copy of the Club's aircraft insurance policy will, at the request of any member, be made available for that member to review. Members are encouraged to read the insurance policy to understand the terms of the coverage.

8.9 MEMBER RESPONSIBILITY FOR AIRCRAFT LOSSES – Any damage or abuse to a Club aircraft shall be charged to the member using the aircraft at the time of the damage or abuse, whether or not the member is responsible for the damage or abuse.

8.9.1 INSURED LOSS – Whenever the Club aircraft insurance policy applies, even when the Club does not file an insurance claim because the loss is less than the deductible amount, the member shall be liable for the amount of the Club's insurance policy deductible as described in Article 8.8.1.1 and the amount of downtime compensation to the aircraft owner as determined in accordance with Article 8.8.1.2. Liability as described in Articles 8.8.1.1 and 8.8.1.2 below shall be paid in accordance with the terms of the Insurance Deductible Plan.

8.9.1.1 INSURANCE DEDUCTIBLE – The member shall be liable to the Club for the insurance deductible amount or the entire loss, whichever is less.

8.9.1.2 AIRCRAFT DOWN TIME – When the aircraft is returned back to service, the member shall be liable to the Club for an amount equal to one-third (1/3) of the aircraft's hourly rental rate for each and every day the aircraft was out of service for repairs, provided that the total number of downtime days shall never exceed thirty (30). In turn, the Club shall pay this aircraft downtime compensation to the aircraft owner after a valid insurance claim has been processed or after Board approval. In the event of a total loss, the number of downtime days shall be zero (0).

8.9.2 UNINSURED LOSS – Whenever the Club aircraft insurance policy does not apply, whether because the damage arises from causes not covered by the policy, because the policy limits have been exceeded, or because the policy has been canceled or voided due to the acts, omissions, negligence, or misconduct of the member, the member shall be liable for the total cost of the loss not covered by the insurance policy, including, but not limited to, compensation for down time and any decrease in aircraft value due to damage history.

8.10 ATTORNEY FEES – In the event of suit, collection costs and reasonable attorney fees are payable to the prevailing party.

8.11 WAIVER OF FEES – The fees in this Article may be reduced or waived by a majority vote of a quorum of the Board of Directors under special circumstances.

9 ARTICLE IX – MEMBER MEETINGS

9.1 MEETINGS – Membership meetings will be held at least two times a year, on a date, time, and place determined by the Board of Directors for the purposes of conducting club business and voting on club matters, with one of those meetings to take place in October for the purposes of electing the Board members.

- 9.2 **SPECIAL MEETINGS** – Special meetings of the members may be held at such time and place as the President may determine, or may be called by a majority of the Board of Directors or by written petition of at least twenty percent (20%) of the members. It shall be the duty of the Secretary to call such meetings within twenty (20) days after such demand.
- 9.3 **PROCEDURES** - All Meetings shall be conducted in accordance with the most recent edition of Robert's Rules of Order. Any DFC body may conduct a meeting by voice telephony or by video telephony or in-person. A DFC body may meet other than in-person and may conduct a vote other than in-person or by surface mail ballot, but when [A] meeting other than in-person or when [B] voting other than in-person or by surface mail ballot, then that meeting and that voting must at all times maintain unanimous consent for the conducting of that meeting or that vote. Minutes will be kept at all meetings.
- 9.4 **QUORUM** – Twenty-five percent (25%) of the membership shall constitute a quorum for the transaction of business at any meeting of members. To transact new, unannounced business from the floor of the meeting, at least one half (1/2) of the total membership must be present. Otherwise, only matters published in a meeting notice consistent with Article 9.8 may be transacted once the 25% quorum is met.
- 9.5 **MANNER OF CASTING VOTES** – Voting may be by voice, electronic or ballot, except that any election of Directors must be by ballot or electronic.
- 9.6 **RESTRICTIONS** – Member voting in any club election are subject to the following restrictions:
- 9.6.1 Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. Cumulative voting shall not be allowed.
 - 9.6.2 Only pilot members in good standing will be allowed to vote in any club matter. Social-only members are not considered pilot members and will not vote.
 - 9.6.3 Member must be eighteen (18) years of age or older.
- 9.7 **APPROVAL BY MAJORITY VOTE** – Except as otherwise specifically provided herein, if a quorum is present at a meeting of members, or if a quorum is represented by the ballots submitted in response to a solicitation of written ballots, the vote of the majority of the voting members shall prevail.

- 9.8 NOTICE REQUIREMENTS – Whenever members are required or permitted to take any action at a meeting, written notice of the meeting shall be given, in accordance with Article 9.8 of these Bylaws, to each member. The notice shall specify the place, date, and hour of the meeting and those matters that the Board, at the time notice is given, intends to present for action by the members. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.
- 9.9 DELIVERY OF NOTICE – Notice of any meeting of members shall be in writing and shall be given at least 5 but no more than 30 days before the meeting date. The notice shall be given either personally, by email or other electronic communication, such as on the club website, or by mail, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member appearing on the books of the Club at the time notice is given.

10 ARTICLE X – OPERATIONAL AND FINANCIAL RULES

- 10.1 OPERATIONAL RULES – Operational Rules deemed necessary for the financially viable and operationally efficient running of the Club shall be established, revised, or revoked by the Board of Directors. These rules may include, but are not necessarily limited to, the following:
- 10.1.1 Minimum liability and hull insurance standards
 - 10.1.2 Initiation fees and monthly dues for members
 - 10.1.3 Responsibility of members for damage to aircraft
 - 10.1.4 Payment requirements for fees, dues, and/or aircraft rentals
 - 10.1.5 Any other rules deemed necessary by the Board of Directors for efficient operation of club business.
- 10.2 FINANCIAL RULES – The Board of Directors is responsible for the financial integrity of DFC finances
- 10.2.1 No member may authorize expenditures or otherwise incur financial obligations in the name of the Club except as expressly provided for in these bylaws or other regulations duly promulgated by the Club membership.
 - 10.2.2 The Chief Financial Officer is authorized to expend Club funds in payment for all normal fixed costs of the Club and all operating costs not in excess of five-hundred (\$500) dollars. The CFO must obtain approval from two other members of the BOD, one of which must be the President or Secretary for any unusual expenditure and all expenditures in excess of two-hundred fifty (\$250) dollars.

- 10.2.3 The Maintenance Officer may authorize work on Club aircraft in an amount up to five-hundred (\$500) dollars without seeking approval from the Board of Directors. The Maintenance Officer must consult with the Chief Financial Officer before authorizing any work to determine whether there are sufficient funds to pay for the work.
- 10.2.4 Individual members will be reimbursed for any personal expenditures not in excess of two-hundred (\$200) dollars when such expenditures are for club aircraft repairs or maintenance necessary to safely complete a trip back to the airport.
- 10.2.5 No Officer or Director or any other individual shall obligate the Club to any purchase, repair, service or in any manner in an amount in excess of five-hundred (\$500) dollars without the approval of the Board of Directors per 10.2.2.
- 10.2.6 The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club's treasury for purposes decided by the Board of Directors. The net savings in any event shall not be distributed to the members for their individual use.

11 ARTICLE 11— SAFETY BOARD

- 11.1 PURPOSE - A Safety Board shall be designated by the Board of Directors for each aircraft accident involving either a member of the Club or any equipment belonging to the Club, providing such accident resulted in damage to equipment exceeding a sum of one-thousand dollars (\$1,000).
- 11.2 STRUCTURE - The Safety Board shall consist of three (3) members of the Club who were not involved in the accident and shall be chaired by the Safety Officer. If the Safety Officer was involved in the accident, the Board of Directors shall appoint a replacement to chair the Safety Board.
- 11.3 INVESTIGATION - The Safety Board shall take all steps necessary to ascertain the facts, conditions and circumstances for the accident; shall arrive at conclusions regarding the probable cause and the responsibility for said accident; and shall make known to the Board of Directors, and to all parties involved in the accident, its findings in the form of a written report.

- 11.4 HEARING - The Board of Directors, upon receipt of the findings of the Safety Board shall offer to all parties involved in the accident the opportunity of a hearing. After the hearing, or if such hearing is waived by all the parties involved in the accident, the Board of Directors shall decide the financial responsibility. The decision of the Board of Directors shall be final. The Board of Directors shall not impose financial responsibility on any one member in excess of twenty-thousand (\$20,000) dollars for any one accident, unless the damage results from a violation which is not covered by insurance carried on the aircraft; then the party responsible for the damage shall be liable for the full amount. Recommendation of the Board should be approved by recorded vote of all Club members.
- 11.5 FINANCIAL RESPONSIBILITIES - All financial obligations imposed on any member as a result of the decision of the Board of Directors shall be satisfied within thirty (30) days of written notice. Otherwise, in the case of a member, all unsatisfied monies may be deducted from the membership fee, the remainder of which shall be returned to the member with a cancellation of membership in the Club.

12 ARTICLE XII – AMMENDMENTS

- 12.1 CHANGES – These Bylaws may be amended by a two-thirds majority vote of a quorum of the Board of Directors at any time, or by a two-thirds vote of a quorum of the membership.

13 ARTICLE XIII – DISSOLUTION

- 13.1 DFC shall continue as an organization of members until such time as the then current Members vote during an Annual Business Meeting that DFC ought to dissolve.
- 13.2 Any Member may make a motion of dissolution by delivering 30 days written notice to the Board of Directors.
- 13.3 A unanimous Board of Directors may make a motion of dissolution upon less than 30 days' notice to the Members; otherwise, the Board must provide the Members with at least 30 days written notice of the Board's intent to make a dissolution motion at the Annual Business Meeting.