

Phoenix Flyers, Inc.



By-Laws

By-Laws of Phoenix Flyers, Inc.

AS AMENDED AND CHANGED AT THE ANNUAL MEETING ON DECEMBER 18, 1967, THE SPECIAL MEETING ON JUNE 28, 1971, THE SPECIAL MEETING ON JULY 10, 1997, THE SPECIAL MEETING ON APRIL 12, 2001, THE ANNUAL MEETING ON JANUARY 20, 2007, AND THE ANNUAL MEETING ON 15 FEBRUARY 2020.

ARTICLE I: Purposes

The purposes of the corporation, as stated in its Certificate of Incorporation, are to foster interest in aviation and to advance the knowledge of stockholders in aviation and related fields.

The corporation also has such powers as are now, or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Arizona.

ARTICLE II: Offices

The corporation shall have, and continuously maintain in this state, a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Arizona as the Board of Directors may from time to time determine.

ARTICLE III: Insurance

Adequate insurance shall be carried at all times to protect the stockholders from liability and damages caused by the operation of aircraft, except as incurred and set forth within these By-Laws.

ARTICLE IV: Stockholders

SECTION 1; CLASSES OF STOCK: The Corporation shall have one class of stock, unless otherwise established by the Board of Directors and adequate provisions made in the Articles of Incorporation. However, the Board of Directors is authorized to establish a division for associate members and pilot training, and to establish such rules of operation as are deemed necessary.

SECTION 2; SELECTION OF STOCKHOLDERS: Stockholders of the corporation shall be selected and approved by unanimous vote of the Directors.

SECTION 3; APPLICATION FOR STOCK: All applicants for stock shall file with the Secretary or Treasurer a written application, which shall be promptly presented to the Board for consideration and investigation.

SECTION 4; VOTING RIGHTS: Stockholders who are not Directors shall not be entitled to vote on corporate matters, except as hereinafter provided in these By-Laws.

SECTION 5; TERMINATION OF STOCK OWNERSHIP: The Board of Directors by affirmative vote of all Members of the Board may suspend, reinstate, or expel a stockholder for cause after an appropriate hearing. Upon expulsion, the interest of such stockholder shall be disposed of as outlined in Section 6 of this Article.

SECTION 6; RESIGNATION: Any stockholder may offer his share for sale by filing a written statement to the Board of Directors. The stockholder shall allow the Board ten (10) days in which to purchase the share at his asking price. If the Board does not elect to purchase his share, the stockholder may sell to anyone acceptable to the Board. However, the monthly fixed fee will continue to be charged against that share until transferred to a new member. The corporation will purchase a share at any time for \$5,750.00, less any amount due the corporation. A member who allows his bill to exceed \$1,750.00 for a period in excess of thirty (30) days may cause his share to revert to the Club, unless special arrangements have been made with the Treasurer.

SECTION 7; TRANSFER OF STOCK OWNERSHIP: Stock in this Corporation is not transferable or assignable unless approved by the Board of Directors as outlined in Section 2 of this article.

ARTICLE V: Meetings of Stockholders

SECTION 1; ANNUAL MEETING: An annual meeting of the stockholders shall be held during the first quarter of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated for an annual meeting, the Directors shall cause the election to be held at a special meeting of the stockholders called as soon thereafter as convenient.

SECTION 2; SPECIAL MEETING: Special meetings of the stockholders may be called either by the President or the Board of Directors.

SECTION 3; PLACE OF MEETING: The Board of Directors may designate any place either within or without the State of Arizona as the place of meeting for any annual meeting or for any special meeting. If no designation is made in the notices of such meeting, the place shall be the registered office of the corporation in the State of

Arizona, provided, however, that if all of the stockholders shall meet at any time an place either within or without the State of Arizona and consent to the immediate holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

SECTION 4; NOTICE OF MEETINGS: Written or printed notice stating the place, day and hour of any meeting of stockholders shall be delivered, either personally by mail, or by e-mail, to each stockholder entitled to vote at such meeting, not less than ten (10) days before the date of such meeting, by or at the direction of the President or the Secretary, or other officers or persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States Mail addressed to the stockholder at his address as it appears on the records of the corporation, with postage thereon prepaid.

SECTION 5; INFORMAL ACTION BY STOCKHOLDERS: Any action required to be taken at a meeting of the stockholders of the corporation, or any other action which may be taken at a meeting of stockholders, may be taken without a meeting if a consent in writing, setting for the action so taken, shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

SECTION 6; QUORUM: The stockholders present at a duly and regularly called meeting shall constitute a quorum. A majority vote of the stockholders present will decide any issues being voted.

SECTION 7; PROXIES: At any meeting of stockholders a stockholder entitled to vote may vote either in person or by proxy executed in writing by said stockholder or by his duly authorized attorney-in-fact. The proxy shall be valid for eleven (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE VI: Board of Directors

SECTION 1; GENERAL POWERS: The affairs of this corporation shall be managed by its Board of Directors.

SECTION 2; NUMBER, TENURE, AND QUALIFICATIONS: The number of directors shall be six (6). Each director shall hold office for two (2) years and/or until his successor shall have been elected and qualified. The tenure of office of the six members of the Board shall be split so as to provide for the election of three members of the Board at each annual election specified by Article V, section 1. Directors need not be residents of Arizona but must be members of the Corporation.

SECTION 3; REGULAR MEETINGS: A regular meeting of the Board of Directors shall be held without other notice than this By-Law, immediately after and at the same place as the annual meeting of members. The Board of Directors may provide by resolution the time and place, either within or without the State of Arizona, for the holding of additional regular meetings of the Board without other notice than such resolution. The Board of Directors shall also meet once each month. Such meeting time and place shall be a part of the minutes of the meeting and no other notice shall be required.

SECTION 4; SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Arizona, as the place for holding any special meeting of the Board called by them.

SECTION 5; NOTICE: Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mails in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

SECTION 6; QUORUM: A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the directors is present, they may adjourn the meeting from time to time without further notice.

SECTION 7; MANNER OF ACTING: The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these By-Laws.

SECTION 8; VACANCIES: Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of directors shall be

filled by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9; COMPENSATION: Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

ARTICLE VII: Officers

SECTION 1; OFFICERS: The officers of the corporation shall be president, vice-president, secretary, treasurer, maintenance officer, and operations officer. The Board of Directors may elect or appoint such other officers as deemed desirable, having the authority and duties prescribed from time to time by the Board of Directors.

SECTION 2; ELECTION AND TERM OF OFFICE: The officers of the corporation shall be elected annually by the Board of Directors at the regular annual meeting of Board. If the election of officers shall not be held at such meeting, the election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

SECTION 3; REMOVAL: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4; OFFICE VACANCIES: A vacancy in any office because of Death, Resignation, Removal, Disqualification, or otherwise, may be filled by the Board of Directors for the unexpired term.

SECTION 5; PRESIDENT: The president shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the stockholders and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws, or by statute or some other

officer or agent of the corporation; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6; VICE PRESIDENT: In the absence of the president or in the event of his inability or refusal to act, the vice president shall perform the duties of the president, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

SECTION 7; TREASURER: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety of sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for all monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VIII of these By-Laws, and in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

SECTION 8; SECRETARY: The secretary shall keep the minutes of the meetings of the stockholders and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 9; MAINTENANCE OFFICER: It shall be the responsibility of the Maintenance Officer to obtain all equipment, maintain all equipment, and study and recommend equipment to promote safety in flight or handling, as directed by the Board of Directors.

SECTION 10; OPERATIONS OFFICER: It shall be the responsibility of the Operations Officer to control the operations of the various corporate aircraft in

accordance with F.A.A. regulations, Phoenix Flyers, Inc. Operating Procedures, and other such regulatory documents as specified by the Board of Directors; and in general perform such other duties as may be assigned to him by the president or by the Board of Directors.

ARTICLE VIII: Contracts, Checks, Deposits, and Funds

SECTION 1; CONTRACTS: The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2; CHECKS, DRAFTS, ETC.: All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

SECTION 3; DEPOSITS: All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4; GIFTS: The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE IX: Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its stockholders and board of Directors and shall keep at the registered or principal office a record, giving the names and addresses of the stockholders. All books and records of the corporation may be inspected by any stockholder, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XI: Fiscal Year

The fiscal year of the corporation shall begin on the first day of December and end on the last day of November in each year.

ARTICLE XII: Charges

SECTION 1; INITIAL INVESTMENTS: The Board of Directors may determine from time to time the amount of initial investment, if any, payable to the corporation by new stockholders.

SECTION 2; FIXED CHARGE ASSESSMENTS: The Board of Directors may determine from time to time the amount of fixed charge assessment, if any, to be charged from all stockholders.

SECTION 3; VARIABLE COST ASSESSMENT: The Board of Directors may determine from time to time the amount of variable cost assessments, if any, to be payable to the corporation by the stockholders for the use of the various types and classes of corporation aircraft.

SECTION 4; SPECIAL ASSESSMENTS: The Board of Directors may, by unanimous vote of such board, decide to purchase new aircraft with corporate funds, but in the event it is necessary to assess the stockholders in order to make such purchase, then each stockholder subject to such assessment shall be entitled to one vote at a special meeting to be called for the purpose of voting on the proposed purchase and assessment. Notice of such special meeting shall be given as provided for under the notice provision of these By-Laws and such notice shall set forth the proposal to be voted upon. A 2/3 (two-thirds) majority vote of those present at such special meeting shall determine the issue.

SECTION 5; DELINQUENT STOCKHOLDERS: The Board of Directors shall have complete discretion in establishing dollar amounts of fines or time limits for arrearage in stockholder accounts. Upon violation of these requirements, any stockholder may by unanimous vote of the board, be suspended from the use of the corporation aircraft for a period of time or may be ejected from the corporation, and the amount of arrearage shall be deductible from such stockholder's proportionate share of the corporation assets.

ARTICLE XIV: Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the General Not For Profit Corporation Act of Arizona or under the provisions of the articles of incorporation or by the By-Laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XV: Amendments to By-Laws

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a majority of the stockholders present at any regular meeting or at any special meeting, provided that at least ten days' written notice is given of intention to alter, amend, or repeal or to adopt new By-Laws at such meeting.

ARTICLE XVI: Miscellaneous

SECTION 1; DISSOLUTION: In the event the corporation shall dissolve, each stockholder then in good standing shall be entitled to share in the corporate assets available for distribution in proportion to his interest in the corporation.

SECTION 2; ASSESSMENT FOR MAJOR REPAIRS: The Board of Directors shall have authority to approve major repairs to aircraft based on examination by licensed A and P mechanics. In the event a special assessment is necessary to pay for such major repairs, each stockholder shall be assessed according to his proportionate interest in the aircraft. The pilot in command shall be responsible for paying the deductible portion of any aircraft damage if a majority of the Board votes to take such action.

SECTION 3; REPORTING DAMAGE TO THE AIRCRAFT: Any stockholder who fails to report a known damage to corporate aircraft to the President of the corporation and to record it on the flight sheet shall be subject to loss of stock ownership if the Board of Directors unanimously votes to take such action.

SECTION 4; FORCED LANDING: In the event of a forced landing, the pilot in command shall as soon as practicable notify the president or a member of the Board of Directors.

SECTION 5; GENERAL OPERATION: The corporation rules shall be maintained current by the Board of Directors, and all stockholders shall be familiar with their intent and be governed accordingly.

SECTION 6; PURCHASE OF AIRCRAFT: Any future acquisitions of aircraft are to be determined by a majority vote of the Board of Directors.

"Let's be careful up there."