

# By Laws of Centennial Flyers, LLC

February 25, 2009

## I. PURPOSE:

These By Laws of Centennial Flyers, LLC are to set forth the rules and procedures under which this Limited Liability Company shall be operated. They shall be effective upon vote to adopt them by a majority of members present and voting at the March 5<sup>th</sup>, 2009 meeting. They may be amended by a proper vote of a majority of members present and voting at any regular or special meeting during which these By Laws are properly considered for amendment.

## II. CLASS, STATUS AND REMOVAL OF MEMBERS:

- a) There shall be one class of members of the Limited Liability Company known as *member-manager*. Each member shall have equal rank and standing in the LIMITED LIABILITY COMPANY and each member shall be entitled to one vote with respect to all matters affecting the business of the Limited Liability Company.
- b) A person may cease to be a member of the Limited Liability Company voluntarily by submitting his or her resignation in writing. A person may also cease to be a member of the Limited Liability Company by a vote of two-thirds of the members of the Limited Liability Company, present and voting at a meeting called for the purpose of removing any member. A member may be removed as a member of the Limited Liability Company with or without cause.

## III. OWNERSHIP:

- a) Each member shall own a share of the assets of the Limited Liability Company. This share shall be equal to the total value of assets (less outstanding liabilities) divided by the total number of members.
- b) Total number of outstanding shares shall not exceed ten shares.
- c) The transfer or sell of a member's share requires the approval of a majority of the Board of Trustees to ensure that the new member meets minimum requirements.

## IV. GOVERNING BOARD:

- a) The affairs of the Limited Liability Company shall be managed by the Board of Trustees consisting of three members designated to conduct business of the Limited Liability Company.
- b) Each Trustee shall be elected during annual meeting and shall serve for the period of one year.
- c) Trustee shall be removable from office at any time upon the vote of two-thirds of the members present and voting at any meeting called for the purpose of removal of the Trustee.
- d) Two Trustees shall constitute a quorum for the transaction of business.

## By Laws of Centennial Flyers, LLC

- e) Meetings of the Board of Trustees shall take place at the same time as general meetings of the Limited Liability Company, or they may take place at a time and place convenient to the Trustees.

### V. OFFICERS:

- a) Each Trustee shall also serve as an officer of the Limited Liability Company. The officers shall be designated as President, Vice President of Maintenance, and a Secretary Treasurer.
- b) President shall also be the Chairman of the Board of Trustees. He or she shall preside at all meetings of the club.
- c) President will oversee all payments and contracts. President will also initiate meetings of members, and will coordinate enforcement of By Laws.
- d) Secretary Treasurer shall keep the minutes of all proceedings and handle all accounting dues of the Limited Liability Company.
- e) Vice President of Maintenance shall oversee maintenance and modifications of the aircraft.

### VI. MEETINGS OF MEMBERS:

- a) Meetings of members may be held at such times and locations as may be determined by the quorum of the Board of Trustees.
- b) Annual meeting shall be held in January of each year. During this meeting Secretary Treasurer shall read minutes of all the meetings during prior year and shall make full financial disclosure to the members present.
- c) Special meetings may be called by the quorum of the Board of Trustees as needed.
- d) At all meetings, President will preside if present. If President is not present, Vice President of Maintenance will preside. If the President and Vice President of Maintenance are not present, the Secretary Treasurer shall preside. If all officers are absent, remaining members may designate a member to preside over the meeting.

### VII. VOTING:

- a) Fifty percent of the members shall constitute a quorum, and fifty one percent of the quorum shall constitute a majority for the purposes of any vote called at a meeting.
- b) A vote may be made by proxy executed in writing by the member or duly authorized attorney-in-fact.

### VIII. SAFETY BOARD:

- a) A safety board may be designated by the Board of Trustees for each accident or incident involving a member of the Limited Liability Company or any

## By Laws of Centennial Flyers, LLC

equipment or aircraft owned or operated by the Limited Liability Company, providing such accident or incident results in damage exceeding a sum of \$500, or if there are allegations of violations of the By Laws. The safety board shall consist of two members not involved in the accident. The safety board shall take all necessary steps to ascertain the facts, conditions, and circumstances of the accident, shall arrive at conclusions regarding the probable cause and responsibility for the accident, incident, or violation. The safety board shall present their finding in writing to the Board of Trustees.

- b) The Board of Trustees, upon reviewing written findings and from safety board and member(s) involved in accident, incident, or violation shall make a ruling regarding financial liability for damage resulting from the accident, incident, or violation. The Board of Trustees will also determine if member shall be removed from membership or if any other action shall be taken against the member. If member does not pay his or her financial obligations to the Limited Liability Company within 90 days, his or her share shall be liquidated, with proceeds applied against amounts due. If the membership value is not sufficient to cover the obligations the Board of Trustees shall decide by majority vote whether or not to pursue other legal actions to recover unpaid balances.

### IX. MEMBERSHIP COSTS:

- a) Monthly dues, hourly costs, and special assessments are voted on during each annual meeting or an ad hoc basis. Secretary Treasurer records the results of the vote in meeting minutes.
- b) Secretary Treasurer shall generate quarterly billing to each member. All payments are due 30 days after billings are mailed out. Any past-due billings will incur late fees of 1.5 percent per month.
- c) Any member who has past-due balance shall have his or her flying privileges suspended.
- d) Any member who is 90 or more days late in making payments shall be automatically considered to have expressed the intention to resign from the Limited Liability Company.
- e) If any member is more than 90 days late in making any payment due, his or her share shall be sold. The proceeds of sale shall be discounted by 30 percent and then applied against any amounts due. Remaining funds (if any) shall be refunded to the member.
- f) Any member who is responsible for damage to the aircraft beyond normal wear and tear shall be assessed the total cost of the needed repair or replacement or insurance deductible. In addition, if an insurance claim is denied due to the negligence of a member or failing to comply with FARs and a loss results to the Limited Liability Company, he or she will be responsible for the full amount of the financial loss.

## By Laws of Centennial Flyers, LLC

### X. USE OF AIRCRAFT:

- a) Any aircraft owned or operated by the Limited Liability Company shall not be used by any member in the transport of goods or passengers for hire.
- b) Only members of the Limited Liability Company shall fly as pilot-in-command. Certified flight instructors may act as pilot-in-command while giving advanced instruction to any member.
- c) Each flying member shall have rating of private pilot or higher.
- d) The Board of Trustees will coordinate operation of the aircraft outside of the United States airspace.
- e) Members will comply with FAR, FCC, and SLC Airport regulations.
- f) Prior to each flight pilot-in-command shall conduct pre-flight inspection. Any member shall have both authority and obligation to ground aircraft if he or she determines that it is not airworthy. Member will place a note on the control wheel of the aircraft stating the nature of the problem that caused him or her to ground the aircraft. He or she shall notify maintenance officer as soon as practical.
- g) After each use of the aircraft the member shall make an entry in the aircraft journal showing the date of operation, pilot's name, beginning and ending tach time, time flown, and any squawks.
- h) Each member is responsible for refueling aircraft after each use, unless alternative arrangements have been made.
- i) Any maintenance performed by member(s) shall be coordinated with the maintenance officer and/or a qualified mechanic, as appropriate.
- j) Before acting as pilot-in-command of the aircraft, a member shall verify that he or she has valid pilots license, medical certificate, and is current in the aircraft. If aircraft will be operated at night, pilot must comply with all night currency requirements as defined in FARs.
- k) Flying time may be reserved on the [www.centennialflyers.com](http://www.centennialflyers.com) web site. The Board of Trustees may limit reservations for any member if they deem his or her reservations to be excessive in frequency or duration.
- l) Members should attend scheduled work parties and take an active role in upkeep and maintenance of the aircraft.

These By Laws have been adopted on this 5<sup>th</sup> day of March of 2009.

*Randy W. Smith, Secretary/Treasurer*