

North Star Flyers, LLC Bylaws

Revised September 2007

ARTICLE I. PURPOSE

North Star Flyers, LLC, is a flying club established at Anoka/Blaine Airport (KANE), Blaine, MN, for the purpose of providing quality aircraft and flight instruction to its members at a reasonable cost.

ARTICLE II. ORGANIZATION

1. North Star Flyers is registered as a Limited Liability Corporation (LLC) in the State of Minnesota, organized as a flying club per Metropolitan Airports Commission (MAC) regulations, and serves exclusively its members without extension of business to the general public.

2. Membership in North Star Flyers, LLC, consists of possession of at least one share of the aircraft. A total of one hundred and fifty (150) shares have been designated at the time of organization of the flying club to allow for suitable expansion of club membership; this does not equate to the maximum number of members allowed, which will be based on the number of aircraft and scheduling availability. The number of shares and members allowed will be reviewed periodically by the Board of Directors and adjusted as appropriate.

3. Membership matters will be the responsibility of the Board of Directors, who will remain the final authority regarding such matters as approval/disapproval of membership applications, involuntary termination of membership, and updates to these Bylaws or Operating Procedures.

ARTICLE III. MEMBERSHIP

1. Membership is open to any pilot appropriately rated in airplanes, or anyone interested in pursuing flight training to become a pilot. Membership is required prior to acting as a pilot, student pilot, or instructor in any club aircraft. Nonmembers are allowed onboard aircraft as passengers only, including demonstration rides for prospective new members; in this circumstance, the prospective member must sit in the right front seat unless the demonstration pilot is an active instructor in the club.

2. Membership in North Star Flyers, LLC becomes valid upon completion and approval of an application for membership, establish ownership in the aircraft, and initiation of required dues payments.

3. Membership is maintained in good standing by timely payment of required dues, on a monthly basis or other convenient denomination (annual, semiannual, etc.).

4. Membership may be terminated at the request of the member or on recommendation of the board for just cause. Members will be notified of involuntary termination in writing with immediate return of any monies due.

5. Upon voluntary termination of membership, a member will be entitled to refund of the purchase price of the shares owned, if the member is in good standing at the time of termination and has been a member for at least two years (twenty-four calendar months) at the time of termination. Otherwise, the shares are forfeited without reimbursement unless exceptional circumstances exist; these will be discussed by the board on a case-by-case basis.

6. The benefits of membership include:

- a. Use of club aircraft (provided checkout requirements are met)
- b. Aircraft flight manual
- c. Access to the hangar (key, combination lock, or other method)
- c. Use of any club facilities
- d. Access to flight instructor members for checkout, currency and training needs
- e. Social functions, educational sessions, and other group activities

7. The requirements for maintaining membership and flying privileges include:

- a. Payment of required dues.
- b. Satisfactory completion of an aircraft checkout for each aircraft type to be flown.
- c. Satisfactory completion of an annual flight review in a club aircraft with a club instructor within the preceding twelve months.
- d. Satisfactory completion of an instrument proficiency check within the preceding twelve months, if IFR flight is to be conducted. (Note: this may be accomplished in conjunction with the checkout/annual flight review; training outside North Star Flyers (i.e.,

simulator training, airline recurrency training, etc) may fulfill this requirement.)

8. Membership shares may not be transferred between members or from a member to an outside party. Upon termination of membership, all shares revert to North Star Flyers, LLC.

ARTICLE IV. BOARD OF DIRECTORS

1. A Board of Directors will be established in order to manage effectively all affairs of North Star Flyers, including daily operations, modification of rules and bylaws, and membership matters. The Board will consist of five officers: President, Secretary, Chief Pilot, and two Directors.

2. The duties of each officer will include:

- a. The President will serve as the chief officer of North Star Flyers and as Chairman of the Board of Directors. The President will oversee the business and property of the corporation and serve in a supervisory capacity. He/she will also serve as the Operations Officer (overseeing daily operations, reviewing aircraft utilization and maintenance issues) and Safety Officer (maintaining a general oversight of club safety programs).
- b. The Secretary will maintain all club documents, including bylaws, applications for membership, operating rules, external and internal correspondence, and minutes of meetings.
- c. The Chief Pilot will serve as supervisor of flight training and operations, including review of pilot qualifications, instructional programs, student progress, and interface with FAA designated pilot examiners.
- d. The Directors will serve on the Board as full voting members in club matters. One of the Directors will consist of the primary equity holder of club aircraft.

3. Each member of the Board (with the exception of one Director, as described above) will be elected by the votes of club members, with each member casting one vote. The first election will be held within six (6) months of the organization of the club. The term of office for each Board member will be one year.

4. Any Board member may voluntarily vacate his/her office at any time, or may be removed involuntarily on sufficient grounds and a majority vote of the

membership. The office will be filled by election of a new Board member by the club membership.

ARTICLE V. LIABILITY

1. North Star Flyers, LLC, will assume no responsibility to the membership or their estates for any action while exercising the privileges permitted by club membership, beyond the provisions of insurance policies covering club aircraft and their occupants.

2. In the event of damage to North Star Flyers aircraft or equipment as the result of an accident, the member will be liable for damages not compensated by insurance or otherwise. Maintenance of an active renter's insurance policy or equivalent is therefore a requirement for membership, as outlined above. In the unlikely event of damage that is not covered by any insurance policy, the Board of Directors will investigate the incident and determine the liability incurred by the member based on whether the damage was reasonably preventable using normal practices.

ARTICLE VI. MEETINGS

1. Annual membership meetings will be held in April or May of each year and will serve multiple functions:

- a. Election of Board members.
- b. Review of financial statements and operating data.
- c. Review of aircraft issues.
- d. Social functions.

2. Board of Directors meetings will be held at least semi-annually, with one meeting corresponding to the annual membership meeting and another occurring in the fall-winter of each year.

3. Additional meetings, social get-togethers, educational courses, etc. may be scheduled at any time.

ARTICLE VII. MISCELLANEOUS ISSUES

1. Amendments to these Bylaws may be proposed by any member and will be considered and voted on by the Board of Directors, with a three-fifths or better vote confirming the amendment.

2. These Bylaws, together with the Membership Application Form and Operating Procedures, constitute the rules by which North Star Flyers will conduct its business and should be referred to regularly by all members.