

Aero Club of Pennsylvania  
By-Laws  
Revised 2015

Article I- Name

The organization shall be known as the Aero Club of Pennsylvania (“the Club”)

Article II- Purposes

The purposes of the Club shall be:

Section 2.01. To represent aviation interests in the Commonwealth of Pennsylvania, and to cooperate with similar organizations to further the Club’s purposes.

Section 2.02. To encourage and advance the art and science of aviation in every possible way.

Section 2.03. To sanction, encourage, promote, and hold aviation events in the Commonwealth of Pennsylvania and the United States.

Section 2.04. To contribute funds, as financial capabilities permit, to the Club’s Memorial Scholarship Fund to support granting scholarships to deserving candidates in the Club’s name.

Section 2.05. The Club shall operate within the meaning of Section 501(c)(7) of the Internal Revenue Code in accordance with the tax determination letter issued to the Club by the Internal Revenue Service in September, 1940.

Article III- Membership and Dues

Section 3.01. The membership of the Club shall consist of two classes: Active and Honorary, and such other classes as determined by the board of directors.

Section 3.02. Honorary membership may be conferred on any individual or group by a vote of the board of directors. Such memberships shall be subject to annual renewal by a vote of the directors.

Section 3.03. Membership fees for each class of membership shall be set by the board of directors.

Article IV- Membership Meetings

Section 4.01. Annual Meeting- The Annual Meeting shall take place in December of each year on a date selected by the board of directors.

Section 4.02. Special Meetings- Meetings of the membership may also be called at any other time by the President with the approval of the board of directors or at the request of 20 members.

Section 4.03. President Presides- The President shall preside at each meeting. In his absence or disability, the Vice President, shall preside.

Section 4.04. Notice and Location of Meetings - Notice of such meetings shall be given to all members at least 20 days prior to such meeting in the manner specified in the Notice provision herein. Every such notice shall state the time, place and purpose of the meeting. No other business may be transacted. All membership meetings shall be held in the Commonwealth of Pennsylvania.

Section 4.05. Quorum- For purposes of transacting business, a quorum must be present at each meeting which shall represent no less than 15% of the then current membership.

#### Article V- Board of Directors

Section 5.01. Powers- The board of directors shall have full power to conduct, manage, and direct the business and affairs of the Club; and all powers of the Club are hereby granted to and vested in the board of directors.

Section 5.02. Qualification and Selecting- Each director of the club shall be a natural person of full age, but need not be a resident of Pennsylvania, and shall be a current Club member in good standing. In the case of vacancies, a successor director shall be selected by the board of directors.

The directors shall be elected by the Club members at the annual meeting. The terms of those elected shall be such that approximately the same number of directors shall rotate off the board each year.

The nominating committee shall recommend director nominees for the membership's consideration.

Section 5.03. Number and Term of Office- The board of directors shall consist of as many directors, but no more than twenty (20) directors, as may be determined from time to time by resolution of the board of directors. Each director shall hold office for three (3) years and until his or her successor shall have been elected and qualified, or until his or her earlier death, resignation or removal. A director shall not be permitted to succeed himself or herself and must remain off the board a minimum of one year before serving again as a director.

Section 5.04. Organization- At every meeting of the board of directors, the chairman of the board, if there be one, or, in the case of a vacancy in the office or absence of the chairman of the board, one of the following officers present in the order stated; the vice chairman of the board, if there be one, the president, the vice president or a chairman chosen by a majority of the directors present, shall preside and the secretary or in his absence, an assistant secretary or in the absence of the secretary and the assistant secretaries any person appointed by the chairman of the meeting shall act as secretary.

Section 5.05. Resignations- Any director of the Club may resign at any time by giving written notice to the president or the secretary of the Club. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.06. Vacancies- The board of directors may declare vacant the office of a director for any proper cause, or if, within 60 days after notice of the director's selection, the director does not accept such office either in writing or by attending a meeting of the board of directors or fails to attend two consecutive regular meetings of the board of directors without having notified the president or secretary in advance of such meetings of the director's inability to attend.

Any vacancy or vacancies in the board of directors because of death, resignation, removal in any manner, disqualification, an increase in the number of directors, or any other cause, may be filled by the board of directors though less than a quorum, at any regular or special meeting; and each person so elected shall be a director to serve for the balance of the unexpired term.

Section 5.07. Place of Meeting- Meetings of the board of directors may be held at such place within the Commonwealth of Pennsylvania as the board of directors may from time to time designate.

Section 5.08. Regular Meeting- Regular meetings of the board of directors shall be held at such time and place as shall be designated from time to time by resolution of the board of directors. At such meetings, the directors shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given unless otherwise required by law or these by-laws.

Section 5.09. Special Meetings- Special meetings of the board of directors shall be held whenever called by the president or by two or more of the directors. Notice of each such meeting shall be given to each director at least 48 hours in advance, if done by telephone, facsimile or email, 3 days in advance, if done by overnight mail and at least 5 days in advance, if done by regular mail. Every such notice shall state the time, place and purpose of the meeting.

Section 5.10. Quorum, Manner of acting, and Adjournment- Except as otherwise provided in Section 5.09 of this Article, a majority of the directors in office shall be present at each meeting in order to constitute a quorum for the transaction of business. Every director shall be entitled to one vote. The acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the board of directors. In the absence of a quorum, a majority of the directors present and voting may adjourn the meeting from time to time until a quorum is present. The directors shall act only as a board and the individual director shall have no power as such, except that any action which may be taken at a meeting of the directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and shall be filed with the secretary of the Club. Provided, however, no director may vote by proxy.

Section 5.11. Executive and other Committees- The board of directors may, by resolution adopted by a majority of the directors in office, establish an Executive Committee and one or

more other committees, each committee to consist of two or more directors of the Club. The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the board or of any committee, and the alternate or alternates, if any, designated for such member, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another disqualified member. Each such committee of the board shall serve at the pleasure of the board.

The Executive Committee shall have and exercise all of the powers and authority of the board of directors in the management of the business and affairs of the Club, except that the Executive Committee shall not have any power or authority as to the following:

- (1) The filling of vacancies in the board of directors
- (2) The adoption, amendment or repeal of the by-laws
- (3) The amendments or repeal of any resolution of the board.

No committee of the board of directors other than the Executive Committee, shall pursuant to resolution of the board of directors or otherwise exercise any of the powers or authority vested by these by-laws or the Nonprofit Corporation Law in the board of directors as such, but any other committee of the board of directors may make recommendations to the board of directors or Executive Committee concerning the exercise of such powers and authority.

Section 5.12. Standing Committees- The Standing Committees of the Club shall consist of Audit, Membership, Nominating, Special Projects, and Scholarship. All Standing Committees shall consist of not less than two, nor more than four, directors and the chairs and members of the committees, shall be appointed by the president subject to the approval of the board of directors.

- (1) The Audit Committee shall also have on it at least one person who is not a director and at least one member who is knowledgeable about finance and accounting.
- (2) The membership committee shall be responsible for recruiting appropriate members in all classes.
- (3) The Nominating Committee shall nominate officers and directors annually. The election of officers for the calendar year shall occur at the first regular meeting of the board of directors of the year. The election of directors for the following year shall occur at the Club's annual membership meeting.
- (4) The Special Projects committee shall be responsible for planning events, functions and meetings of the membership, and such other related duties as assigned by the board.
- (5) The Scholarship Committee shall be responsible for promoting, marketing and long range planning for the Memorial Scholarship Fund and supporting the Fund trustees

as the trustees may request. The committee shall nominate the trustees of the Memorial Scholarship Fund for appointment by the board of directors in accordance with the Memorial Scholarship Fund Trust provisions.

- (6) The President may appoint other special committees as may be necessary for the good of the Club. Such committees shall automatically cease to exist upon the completion of their assigned duties.
- (7) No officer or committee shall have the authority to expend funds, to act on behalf of the Club, or to incur obligations in the name of the Club without the express authorization of the board of directors.

Section 5.13. Potential conflicts of interest involving Directors or Officers; Quorum- No contract or transaction between the Club and one or more of its directors or Officers, or between the Club and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the director or officer is present at the meeting of the board of directors which authorizes the contract or transaction, if:

- (1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors and the board in good faith authorizes the contract or transaction by the good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors are less than a quorum; or
- (2) The contract or transaction is fair as to the Club as of the time it is authorized, approved or ratified, by the board of directors.
- (3) The director with the financial interest neither participates in the discussion about nor votes on the transaction.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors which authorizes a contract or transaction specified in this section.

#### Article VI- Officers

Section 6.01 Number, Qualification and Designation- The officers of the Club shall be a president, a vice president, a secretary, a treasurer, and such other officers as may be elected in accordance with the provisions of Section 6.02 of this Article. Officers shall be directors of the Club, and an officer whose term continues beyond the officer's term as a director shall remain as a director until the end of the term as officer. Any number of offices may be held by the same person provided, however, different persons shall hold the positions of President and Treasurer.

The board of directors may elect from among the members of the board a chairman of the board and a vice chairman of the board who shall be officers of the Club.

Section 6.02. Election and Term of Office- The officers of the Club, except those elected by delegated authority pursuant to Section 6.03 of this Article, shall be elected annually by the board of directors, and each such officer shall hold office until the next annual organization meeting of directors and until a successor shall have been elected and qualified, or until earlier death, resignation, or removal. The Nominating Committee shall recommend officer nominees for the board's consideration.

Section 6.03. Subordinate officers, committees, and Agents- The board of directors may from time to time elect such other officers and appoint such committees, employees or other agents as the business of the Club may require, including one or more assistant secretaries, and one or more assistant treasurers, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these by-laws, or as the board of directors may from time to time determine. The board of directors may delegate to any officer or committee the power to elect subordinate officers and to retain or appoint employees or other agents, or committees thereof, and to prescribe the authority and duties of such subordinate officers, committees, employees, or other agents.

Section 6.04. Resignations- Any officer or agent may resign at any time by giving written notice to the board of directors, or to the president or the secretary of the Club. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.05. Removal- Any officer, committee, employee or other agent of the Club may be removed, either for or without cause, by the board of directors or other authority which elected, retained or appointed such officer, committee or other agent whenever in the judgment of such authority the best interests of the Club will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

Section 6.06. Vacancies- A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, may be filled by the board of directors or by the officer or committee to which the power to fill such office has been delegated pursuant to Section 6.03 of this Article, as the case may be, and if the office is one for which these by-laws prescribe a term, shall be filled for the unexpired portion of the term.

Section 6.07. General Powers- All officers of the Club as between themselves and the Club, shall respectively have such authority and perform such duties in the management of the property and affairs of the Club as may be determined by the resolutions or orders of the board of directors, or, in the absence of controlling provisions in resolutions or orders of the board of directors, as may be provided in these by-laws.

Section 6.08. The President- The president shall be the Chief executive officer of the corporation and shall have general supervision over the activities and operations of the corporation, subject, however to the control of the board of directors and the chairman, if any. The president shall appoint the chairs and members of each standing committee subject to the approval of the board of directors. The president shall sign, execute, and acknowledge, in the name of the corporation, deeds, mortgages, bonds, contracts or other instruments, authorized by the board of directors except in cases where the signing and execution thereof shall be expressly delegated by the board of directors, or by these by-laws, to some other officer or agent of the Club, and in general, shall perform all duties incident to the office of president, and such other duties as from time to time may be assigned to him by the board of directors or the chairman, if any.

Section 6.09. The Vice President- The vice president shall preside over meetings and perform the duties of the president during the president's temporary absence or, when there is a vacancy in office, until the president's successor has been elected and such other duties as may from time to time be assigned to them by the board of directors, the chairman, or the president.

Section 6.10. The Secretary- The secretary or an assistant secretary shall attend all meetings of the board of directors and shall record all the votes of the directors and the minutes of the meetings of the board of directors and of committees of the board in a book or books to be kept for that purpose, shall see that notices are given and records and reports shall be properly kept and filed by the corporation and see that it is affixed to all documents to be executed on behalf of the corporation under its seal, and in general shall perform all duties, incident to the office of secretary and such other duties as may from time to time be assigned to him by the board of directors, the chairman or the president.

Section 6.11. The Treasurer- The treasurer or an assistant treasurer shall have or provide for the custody of the funds or other property of the Club and shall keep a separate bank account of the same to his credit as treasurer; shall collect and receive or provide for the collection and receipt of funds earned by or in any manner due to or received by the Club, shall deposit all funds in his custody as treasurer in such banks or other places of deposit as the board of directors may from time to time designate; shall at the annual meeting and whenever so required by the board of directors, render an account showing his transactions as treasurer and the financial condition of the Club, and in general shall discharge such other duties as may from time to time be assigned to him by the board of directors, the chairman, or the president.

Section 6.12. Officers bonds- Any officer shall give a bond for the faithful discharge of his duties in such sum, if any and with such surety or sureties as the board of directors shall require.

## Article VII- Meeting Notice

Section 7.01. Notice what constitutes- Whenever written notice is required to be given to any person under the provisions of the articles, these by-laws, or the nonprofit corporation law, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, overnight mail, facsimile or email to the address supplied by the person to the Club for the purpose of notice. If the notice is sent by mail, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail, when sent by overnight mail, when picked by the service provider, or when sent by facsimile or email, when transmitted to such person. A notice of meeting shall specify the place, date, time and purpose of the meeting and any other information required by law or these by-laws,

When a meeting is adjourned it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 7.02. Waivers of Notice- Whenever any written notice is required to be given under the provisions of the articles, these by-laws, or the Nonprofit corporation law, 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. Except as otherwise required elsewhere in these by-laws, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting.

Section 7.03. Telephone Conference Meeting- One or more persons may participate in a meeting of the board or of a committee of the board by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

## Article VIII- Indemnifications

Section 8.01. Limitation of Personal Liability of Directors- A director of the Club shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

- (1) The director has breached or failed to perform the duties of his or her office as defined in section 8.02 below; and
- (2) The breach or failure to perform constitutes self- dealing willful misconduct or recklessness.

The provisions of this Section 8.01 shall not apply to:



- (1) The responsibility or liability of a director pursuant to any criminal statute; or
- (2) The liability of a director for the payment of taxes pursuant to local, state or federal law.

Section 8.02. Standard of Care and Justifiable Reliance-

- (1) A director of the Club shall stand in a fiduciary relationship to the Club, and shall perform his or her duties as a director, including his or her duties as a member of any committee of the board of directors upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a director shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
  - (a) One or more officers or employees of the Club, whom the director reasonably believes to be reliable and competent in the matters presented;
  - (b) Counsel, public accountants or other persons as to matters which the director reasonably believes to be within the professional or expert competence of such person.
  - (c) A committee of the board of directors upon which he or she does not serve, duly designated in accordance with law as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

- (2) In discharging the duties of their respective positions, the board of directors, committees of the boards and individual director may, when considering the best interests of the Club, consider the effects of any action upon employees, upon persons with whom the Club has business and other relations and upon communities in which the offices or other establishments of or related to the Club are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (1) of this section 8.02.
- (3) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a director or any failure to take any action shall be presumed to be in the best interests of the Club.

Section 8.03. Indemnification in Third Party Proceedings- The Club shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative( other than an action by or in the right of the Club) by reason of the fact

that he or she is or was a representative of the Club, or is or was serving at the request of the Club as a representative of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner reasonably believed to be in, or not opposed to the best interests of the Club, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to the best interests of the Club, and with respect to any criminal action or proceeding had reasonable cause to believe that his or her conduct was unlawful.

Section 8.04. Indemnification in Derivative Actions- The Club shall indemnify any person who was, or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Club to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Club, or is or was serving at the request of the Club as a representative of another corporation, partnership, joint-venture, trust or other enterprises against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interests of the Club and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Club unless and only to the extent that the Court of Common Pleas of Philadelphia County or the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas or such other court shall deem proper.

Section 8.05. Mandatory Indemnification- Notwithstanding any contrary provision of the articles or these by-laws, to the extent that a representative of the Club has been successful on the merits or otherwise in defense of any action suit or proceeding referred to in either Section 8.03 or Section 8.04 above, he or she shall be indemnified against expenses) (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 8.06. Determination of Entitlement to Indemnification- Unless ordered by a court, any indemnification under section 8.03 or 8.04 above shall be made by the Club only as authorized in the specific case upon determination that indemnification of the

representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made:

- (1) By the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or
- (2) If such a quorum is not obtainable or even if obtainable, a majority vote of a quorum of disinterested directors so directs by independent legal counsel in a written opinion.

Section 8.07. Advancing Expenses- Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Club, in advance of the final disposition of such action, suit or proceeding as authorized by the board of directors in a specific case upon receipt of any undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Club as authorized in paragraphs 1 through 3 above.

Section 8.08. Indemnification of Former representatives- Each such indemnity may continue as to a person who has ceased to be a representative of the Club and may inure to the benefit of the heirs, executors and administrators of such person

Section 8.09. Reliance on Provisions- Each person who shall act as an authorized representative of the Club shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

## Article IX- Miscellaneous

Section 9.01 Corporate Seal- The Club shall have a corporate seal in the form of a circle containing the name of the corporation, the year of incorporation and such other details as may be approved by the board of directors.

Section 9.02 Checks- All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the board of directors may from time to time designate.

Section 9.03. Contracts- Except as otherwise provided in these by-laws, the board of directors may authorize any officer or officers agent or agents to enter into an contract or to execute or deliver any instrument on behalf of the Club, and such authority may be general, or confined to specific instances.

Section 9.04. Deposits- All funds of the Club shall be deposited from time to time to the credit of the Club in such banks, trust companies or other depositories as the board of directors may approve or designate and all such funds shall be withdrawn only upon checks signed by the

treasurer and such one or more officers or employees as the board of directors shall from time to time determine.

Section 9.05. Annual report of the Club- The board of directors shall direct the president and treasurer to present at the annual meeting of the Club a report showing in appropriate detail the following:

- (1) The assets and liabilities including the trust funds, of the Club as of the end of the fiscal year immediately preceding the date of the report.
- (2) The principal changes in assets and liabilities during the year immediately preceding the date of the report.
- (3) The revenue or receipts of the Club, both unrestricted and restricted to particular purposes for the year immediately preceding the date of the report.
- (4) The expenses or disbursements of the Club, for both general and restricted purposes during the year immediately preceding the date of the report.
- (5) A report submitted by or on behalf of the trustees of the Memorial Scholarship Fund showing the receipts, expenditures, investment performance and scholarship awards during the fiscal year immediately preceding the date of the report.

The annual report of the board of directors shall be filed with the minutes of the annual meeting of the board.

Section 9.06. Registered Office- The registered office of the corporation in the Commonwealth of Pennsylvania shall be at the offices of the legal counsel of the Club.

Section 9.07. Fiscal Year- The fiscal year of the Club shall begin on the 1<sup>st</sup> of January in each year.

#### Article X- Amendment of By-laws

Amendment of By-laws- These by-laws may be amended or repealed or new by-laws may be adopted by vote of a majority of the membership or of the board of directors of the Club in office at any regular or special meeting of members or directors as the case may be. Such proposed amendment , repeal, or new by-laws, or a summary thereof shall be set forth in any notice of such meeting, whether regular or special.

(As amended by the board of directors in 1946, 1953, 1969, December 3<sup>rd</sup>, 1992 and on April 6, 2015.)