

**BYLAWS**  
of the  
**Flying Twenty Incorporated**  
a California nonprofit mutual benefit corporation  
California Corporate Number C0224879  
Incorporated on February 18, 1948

**ARTICLE I**  
**OFFICES & PURPOSES**

**Section 1. *Principal Office.***

The address of the corporation's principal office is Hangar Row Q, Hangar/Office 5, 2500 Cunningham Avenue, Reid-Hillview Airport, San Jose, California 95148. The Board of Directors (below called the "Board") is granted and authority to change the location of the principal office. Any change shall be noted on the Bylaws opposite this Section 1, or this Section 1 may be amended to state the new location.

**Section 1. *Purpose.***

The purpose of the Flying Twenty is to promote aviation professionalism and flight safety, to instruct and educate pilots and students, and to promote the sport of flying while minimizing the costs of flying training aircraft consistent with safety.

**ARTICLE II**  
**MEMBERSHIP**

**Section 1. *Classes.*** There shall be one class of members. Members of the corporation shall be only those persons who are either currently enrolled students, or alumnus, or faculty or staff of San Jose State University, and

- (a) who have paid a membership fee, as determined by the Board,
- (b) whose application for membership has been approved by the Board (or by a Membership Committee which may be appointed by the Board in conformity with the provisions of Section 14 of Article III of these Bylaws, and
- (c) whose membership has not terminated pursuant to any provision of these Bylaws.

Each Flying Twenty member shall have the right to vote, as set forth in Section 2 of this Article II, for the election of directors, on a disposition of all or substantially all of the assets of the corporation, on a merger and on a dissolution. Members shall also have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law.

If the corporation is wound up and dissolved, the members of record at the time a certificate evidencing the corporation's election to wind up and dissolve is filed with the Secretary of State or, if no election to wind up and dissolve is made, at the time an order for winding up and dissolution of the corporation is entered, shall receive the assets of the corporation remaining after:

- (a) return of any assets held upon a valid condition requiring return, transfer, or conveyance, which condition has occurred or will occur;
- (b) disposition of any assets held in a charitable trust in compliance with the provisions of any trust under which those assets are held;
- (c) payment, or adequate provision for payment, of all taxes, penalties, debts, and liabilities; and
- (d) compliance with other provisions of applicable law.

Such remaining assets shall be distributed pro rata per membership.

Nothing in this Section 1 shall limit the right of the corporation to refer to persons associated with it as “members,” even though those persons are not members as defined above, and no such reference shall confer anyone a membership within the meaning of Section 5056 of the California Nonprofit Corporation Law or the foregoing provisions of this Section 1 unless that person has applied for membership as above set forth and has become and remains a member. The corporation may confer by amendment of its Articles or of these Bylaws some or all of the rights of a member, as set forth in this Article II, upon any person who does not have the right to vote on any of the matters set forth in the third paragraph of this Section 1 or for the selection of delegates who possess any such voting rights, but no such person shall be a member within the meaning of Section 5056 or this Section 1.

**Section 2. *Voting Rights.*** Subject to Sections 5 and 6 of this Article II, each member shall be entitled to one vote on each matter submitted to a vote of the members.

**Section 3. *Membership Fee.*** Each member shall pay a membership fee and periodic dues and assessments in such amounts and at such times as shall be determined by the Board.

**Section 4. *Transfer of Membership.*** Memberships are non-transferrable, whether it be by sale, inheritance, death, dissolution, marriage, bankruptcy, or any other method by or of a member. Any attempt to transfer a membership automatically terminates that membership, and all rights and benefits incident thereto.

**Section 5. *Termination of Membership.*** The Board may terminate or suspend a membership or expel or suspend a member for nonpayment of fees, periodic dues, or assessments or for conduct which the Board shall deem inimical to the best interests of the corporation, including, without limitation, flagrant violation of any provision of these Bylaws or failure to satisfy membership qualifications. The Board shall give the member who is the subject of the proposed action 15 days prior notice of the proposed expulsion, suspension, or termination and the reasons therefor. The member may submit a written statement to the Board regarding the proposed action not less than five days before its effective date. Before the effective date of the proposed action, the Board shall review any statement so submitted and shall determine the mitigating effect, if any, of the information contained in it on the proposed action. A suspended member shall not be entitled to exercise any of the voting rights set forth in Section 2 of this Article II during the period of suspension. An expelled or terminated member shall cease to be a member on the effective date of expulsion or termination.

**Section 6. *Good Standing.*** Any member who shall fail to pay any installment of fees, periodic dues, rentals, or assessments for more than 15 days after their due date shall not be in good standing and shall not be entitled to vote as a member, or to fly Flying Twenty aircraft.

**Section 7. *Place of Meetings.*** Meetings of members shall be held either at the principal office of the corporation or at any other place within or without the State of California which may be designated either by the Board or by the written consent of all persons entitled to vote at the meeting, given either before or after the meeting and filed with the Secretary.

**Section 8. *Annual Meetings.*** Annual meetings of members shall be held on a date and at a time which shall be fixed by the Board. In any year in which directors are elected by members, the election shall be held at the annual meeting. Any other proper business may be transacted at the meeting.

**Section 9. *Special Meetings.*** Special meetings of members may be called for any lawful purpose at any time by the Board, the Chairman of the Board, the President, not less than 5 percent of the members, or the faculty advisor. Upon request in writing to the Chairman of the Board, the President, any Vice

President, or the Secretary by any person(s) (other than the Board) entitled to call a special meeting of members, the officer forthwith shall cause notice to be given to the members entitled to vote that a meeting will be held at a time fixed by the Board, not less than 7 nor more than 30 days after the receipt of the request. If the notice is not given within 5 days after receipt of the request, the person(s) entitled to call the meeting may give the notice.

**Section 10. Notice of Annual or Special Meetings.** Written notice (including electronic, email, or text messaging) of each annual or special meeting of members shall be given not less than 7 or more than 30 days before the date of the meeting to each member entitled to notice of it. The notice shall state the place, date, and hour of the meeting and:

(a) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or

(b) in the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the members, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for action by the members. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is sent to members.

Any approval of the members, other than unanimous approval by those entitled to vote, under the following sections of the California Corporations Code shall be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice:

(a) Corp. Code §7222: removal of directors or reduction in number of directors;

(b) Corp. Code §7224: filling vacancies on the board resulting from removal by members;

(c) Corp. Code §7233: contracts in which a director has a material financial interest;

(d) Corp. Code §7812: certain amendments of the articles of incorporation;

(e) Corp. Code §8610: election to wind up and dissolve; and

(f) Corp. Code §8719: certain distributions during winding up other than cash to a class of members.

Notice of a members' meeting shall be given either personally or by mail or by other means of written communication, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for the purpose of notice, or, if no such address appears or is given, by posting the notice at the place where the principal office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, including electronic mail (email) or text messaging, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

If any notice or report addressed to a member at the address of the member appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the member at that address, all future notices or reports shall be deemed to have been duly given without further mailing if the notice or report shall be available for the member upon written demand at the principal office of the corporation for a period of one year from the date of the giving of the notice or report to all other members.

**Section 11. *Quorum.*** Twenty-five percent of the voting power, represented at the meeting in person or by proxy, shall constitute a quorum at any meeting of members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by class is required by law, by the Articles, or by these Bylaws, except as provided in the following sentence. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

**Section 12. *Adjourned Meetings and Notice Thereof.*** Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the votes represented at the meeting either in person or by proxy, but in the absence of a quorum (except as provided in Section 11 of this Article II) no other business may be transacted at the meeting. No meeting may be adjourned for more than 45 days.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at it, other than by announcement at the meeting at which the adjournment is taken; but if, after adjournment, a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the adjourned meeting, is entitled to vote at the meeting, as in the case of the meeting as originally called.

**Section 13. *Voting.*** The only members entitled to notice of any meeting or to vote at any meeting shall be persons in whose name memberships stand on the records of the corporation on the record date for notice determined in accordance with Section 14 of this Article II.

Except as may be required by Chapter 6 of the California Nonprofit Mutual Benefit Corporation Law, no cumulative voting is permitted.

Elections need not be by ballot; provided, however, that an election of directors and officers must be by ballot upon demand made by a member at the meeting and before the voting begins.

In any election of directors or officers, the candidates receiving the highest number of votes are elected.

**Section 14. *Record Date.*** The Board may fix, in advance, a record date for the determination of the members entitled to notice of any meeting of members or entitled to exercise any rights in respect of any lawful action. The record date so fixed shall be not more than 60 days nor less than 10 days prior to the date of the meeting, nor more than 60 days prior to any other action. When a record date is so fixed, only members of record on that date are entitled to notice, to vote, or to exercise the rights for which the record date was fixed. A determination of members of record entitled to notice of a meeting of members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. The Board shall fix a new record date if the meeting is adjourned for more than 46 days.

If no record date is fixed by the Board, the record date for determining members entitled to notice of a meeting of members shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. If no record date is fixed by the Board, members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of members or, in case of an adjourned meeting, members on the day of the adjourned meeting who are otherwise eligible to vote are entitled to vote

at the adjourned meeting of members. The record date for determining members for any purpose other than set forth in this Section 14 or Section 10 of this Article II shall be at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth day prior to the date of such other action, whichever is later.

**Section 15. *Consent of Absentees.*** The transactions of any meeting of members, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote who was not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at the meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the California Nonprofit Mutual Benefit Corporation Law to be included in the notice but not so included, if the objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes of the meeting, except as provided in Section 7511(f) of the California Nonprofit Mutual Benefit Corporation Law.

**Section 16. *Action Without Meeting.*** Subject to Section 7513 of the California Nonprofit Mutual Benefit Corporation Law, any action except election of directors which, under any provision of the California Nonprofit Mutual Benefit Corporation Law, may be taken at any regular or special meeting of members, may be taken without a meeting if (a) the written ballot of every member is solicited by the corporation setting forth the action to be taken, (b) the required number of signed approvals in writing setting forth the action so taken is received, (c) if the number of ballots cast within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (d) the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Unless a record date for voting purposes be fixed as provided in Section 14 of this Article II, the record date for determining members entitled to cast written ballots pursuant to this Section 16, when no prior action by the Board has been taken, shall be the day on which the first written ballot is mailed or solicited, whichever is first.

Alternatively, any action required or permitted to be taken by the members may be taken without a meeting, if all members individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members.

**Section 17. *Proxies.*** Every person entitled to vote a membership has the right to do so either in person or by one or more persons authorized by a written proxy executed by the member and filed with the Secretary. A duly executed proxy is not revoked and continues in full force and effect in accordance with its terms until revoked by the person executing it before the vote pursuant thereto. A proxy may be revoked either:

- (a) by a writing delivered to the Secretary of the corporation stating that the proxy is revoked,
- (b) by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or
- (c) as to any meeting, by attendance at the meeting and voting in person by the person executing the proxy; but no proxy shall be valid after the expiration of 3 months from the date of its execution unless it otherwise provides and except that the maximum term of any proxy shall be one year from its date of execution. The dates contained on proxies presented to a meeting presumptively determine the order of their

execution, regardless of postmark dates on envelopes in which they may have been mailed, but if there is no date on a proxy, the postmark date on the envelope in which it was mailed shall be presumed in the absence of information to the contrary to be the date of execution of the proxy.

**Section 18. *Inspector of Election.*** The Board may appoint an inspector, who normally shall be the Faculty advisor, of an election to act at the meeting and any adjournment of it. If the inspector of election be not appointed in advance of a meeting, or if any person so appointed fails to appear or refuse to act, the presiding officer of the meeting may, and on the request of any member or member's proxy shall, make such appointment at the meeting. The number of inspectors shall be one. In the case of any action by written ballot without a meeting as provided for in Section 16 of this Article II, the Board may also appoint an inspector of election.

Whether the election is at a meeting or by written ballot without a meeting, the powers and duties of the inspector shall be as prescribed by Section 7614(b) of the California Nonprofit Mutual Benefit Corporation Law and shall include:

- a) determining the number of memberships outstanding and the voting power of each;
- b) determining the memberships represented at the meeting;
- c) determining the existence of a quorum;
- d) determining the authenticity, validity, and effect of proxies; receiving votes, ballots, or consents;
- e) hearing and determining all challenges and questions in any way arising in connection with the right to vote;
- f) counting and tabulating all votes or consents;
- g) determining when the polls shall close;
- h) determining the result;
- I) and doing such acts as may be proper to conduct the election or vote with fairness to all members.

**Section 19. *Conduct of Meeting.*** The President shall be the Presiding Officer at all meetings of the members. The Presiding Officer shall conduct each meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The Presiding Officer's rulings on procedural matters shall be conclusive and binding on all members, unless at the time of a ruling a request for a vote on the ruling is made to the members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of the voting power represented at the meeting shall be conclusive and binding on all members. Without limiting the generality of the foregoing, the Presiding Officer shall have all of the powers usually vested in the chair of a meeting of members.

### **ARTICLE III DIRECTORS**

**Section 1. *Powers.*** Subject to limitations of the Articles, of these Bylaws, and of the California Nonprofit Mutual Benefit Corporation Law relating to action required to be approved by the members or by a majority of members, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the corporation to any person or persons, a management company, or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to these general powers, but subject to the provisions just stated, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the other officers, agents, and employees of the corporation, prescribe qualifications, powers, and duties for them that are not inconsistent with law, the Articles, or these Bylaws,

fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and activities of the corporation and to make rules and regulations therefor not inconsistent with law, the Articles, or these Bylaws, as they may deem best.

(c) To adopt and use a corporate seal, to prescribe the forms of certificates of membership, and to alter their forms from time to time as the Board may deem best.

(d) To authorize the issuance of memberships of the corporation from time to time,

(e) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities for debt.

(f) To carry on a business at a profit and apply any profit that results from the business activity to any activity in which it may lawfully engage.

**Section 2. *Number of Directors.*** The authorized number of directors shall be five (5) until changed by amendment of the Articles or by a Bylaw duly adopted by the members amending this Section 2.

**Section 3. *Election and Term of Office.*** Directors shall be elected at each annual meeting of the members, but if an annual meeting is not held, or the directors are not elected at an annual meeting of members, the directors may be elected at any special meeting of members held for that purpose. Each director shall serve until the next annual meeting of members and until a successor has been elected and qualified.

**Section 4. *Vacancies.*** Any director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective.

Vacancies in the Board, except those existing as a result of a removal of a director, may be filled by approval of the Board, or, if the number of directors then in office is less than a quorum, by the unanimous written consent of the directors then in office, the affirmative vote of a majority of directors then in office at a meeting held pursuant to notice or waivers of notice, or by a sole remaining director. Each director so elected shall hold office until the expiration of the term of the replaced director and until a successor has been elected and qualified.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any director, or if the authorized number of directors is increased, or if the members fail, at any regular or special meeting of members at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The Board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, or been found by a final order or judgment of any court to have breached any duty arising under Section 7238 of the California Nonprofit Mutual Benefit Corporation Law.

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors.

No reduction of the authorized number of directors shall have the effect of removing any director before expiration of the director's terms of office.

**Section 5. *Place of Meeting.*** Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board. In the absence of designation by the Board, regular meetings shall be held at the principal office of the corporation.

**Section 6. *Regular Meetings.*** Immediately following each annual meeting of members the Board shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business.

Other regular meetings of the Board shall be held without call or notice on dates and at times fixed by the Board.

**Section 7. *Special Meetings.*** Special meetings of the Board for any purpose or purposes may be called at any time by the Chairman of the Board, the President, any Vice President, the Secretary, or any two directors.

Special meetings of the Board shall be held upon four days' notice by first-class mail or 48 hours' notice given personally by telephone, (including a voice messaging system or other system or technology designed to record and communicate messages), telegraph, facsimile, electronic mail, or other electronic means. Any such notice shall be addressed or delivered to each director at the director's address as shown on the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if the director's address is not shown on the corporation's records or is not readily ascertainable, at the place where the meetings of the directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

**Section 8. *Quorum.*** A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 11 of this Article III. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is required by law or by the Articles, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

**Section 9. *Participation in Meetings by Conference Telephone.*** Members of the Board may participate in a directors' meeting through use of conference telephone, electronic video screen, or other communications equipment. Participation in a directors' meeting through use of conference telephone constitutes presence in person at that meeting as long as all members participating in the meeting are able to hear one another. Participation in a meeting through the use of electronic video screen communication or other communications equipment (other than conference telephone) constitutes presence in person at that meeting if all of the following apply:

(a) each member participating in the meeting can communicate with all of the other participating members concurrently;

(b) each member is provided the means of participating in all matters before the board including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation; and

(c) the corporation adopts and implements some means of verifying both of the following:

(i) a person participating in the meeting is a director or other person entitled to participate in the board meeting and

(ii) all actions of, or votes by, the board are taken or cast only by the directors and not by persons who are not directors.

**Section 10. *Waiver of Notice.*** Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of its minutes, whether before or after the meeting, or who attends the meeting without protesting, prior before or at its commencement, the lack of notice to that director. All the waivers, consents, and approvals as to a Board meeting shall be filed with the corporate records or made a part of the minutes of the meeting.

**Section 11. *Adjournment.*** A majority of the directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

**Section 12. *Action Without Meeting.*** Any action required or permitted to be taken by the Board may be taken without a meeting if all directors individually or collectively consent in writing to the action. The consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

**Section 13. *Rights of Inspection.*** Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation.

**Section 14. *Committees.*** The Board may appoint one or more committees, each consisting of two or more directors, and delegate to such committees any of the authority of the Board except authority to:

- (a) Approve any action for which the California Nonprofit Mutual Benefit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) Fill vacancies on the Board or on any committee;
- (c) Fix compensation of directors for serving on the Board or on any committee;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) Appoint other committees of the Board or members of other committees;
- (g) Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected; or
- (h) As to any assets held in charitable trust, approve any self-dealing transaction as defined in Section 5233(a) of the California Corporations Code except as provided in Section 5233(d)(3) .

Any committee to which any authority of the Board is delegated may only be created, and its members appointed, by resolution adopted by a majority of the authorized number of directors then in office, provided a quorum is present. Any such committee may be designated an Executive Committee or given another name as the Board shall specify. The Board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of these committees shall be conducted. In the absence of prescription by the Board, a committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or a committee shall otherwise provide, the regular and special meetings and other actions of that committee shall be governed by the provisions of this Article III applicable to meeting and actions of the Board. Minutes shall be kept of each meeting of each committee.

**Section 15. Fees and Compensation.** Directors and members of committees shall receive no compensation for their services. Directors and committee members may receive reimbursement for expenses, as may be fixed or determined reasonable by the Board.

#### ARTICLE IV. OFFICERS

**Section 1. Officers.** The officers of the corporation shall be a President, Vice President (of operations), Vice-President of Maintenance (aka Maintenance Officer), a Secretary, and a Treasurer. The corporation may also have, at the discretion of the Board, a Chairman of the Board, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be elected or appointed in accordance with the provisions of Section 3 of this Article IV. Any number of offices may be held by the same person unless the Articles or these Bylaws provide otherwise.

**Section 2 Officers Are Also the Directors.** To the extent permitted by law, each of the five Board of Directors shall also serve as the officers of the corporation, to serve a concurrent term in office. At the election of the Directors at the annual membership meeting, the nominees shall also indicate the office they intend to hold if elected a director.

**Section 3. Subordinate Officers.** The Board may elect, and may empower the President to appoint, such other officers as the business of the corporation may require. Each such officer shall hold office for the period, have authority, and perform duties as provided in these Bylaws or as the Board or the appointing officer may from time to time determine.

**Section 4. Removal and Resignation.** Any officer may be removed for good cause by the Board at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the corporation addressed and sent to the Board, the President, or the Secretary.. Any officer's resignation shall take effect on the date the resignation is received by the addressee or at any later time specified in the resignation and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective.

**Section 5. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to that office, provided that vacancies may be filled as they occur and not on an annual basis.

**Section 6. Chairman of the Board.** The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board and exercise and perform other powers and duties as assigned by the Board.

**Section 7. President.** Subject to powers, if any, given by the Board to the Chairman of the Board, if there be such an officer, the President is the general manager and chief executive officer of the corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and officers of the corporation. The President shall preside at all meetings of the members and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and other powers and duties prescribed by the Board. The President shall have served at least one prior term as an officer/director.

**Section 8. *Vice Presidents.*** In the absence or disability of the President, the Vice President designated by the Board, shall perform all the duties of the President. A Vice President so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have other powers and perform other duties respectively prescribed for them by the Board or as assigned by the President.

The VP of Operations shall assume the duties of the President in his/her absence. S/he is responsible for the aircraft scheduling system and members compliance with the scheduling rules, insurance compliance, currency documents for pilots, instructors and aircraft, club's forms and supplies, processing new applications for membership or CFI club approval, and CFI monitoring.

The VP of Maintenance is responsible for maintaining all Club aircraft in airworthy condition; responsible for scheduling all maintenance activities on club aircraft; for purchasing aircraft parts and supplies; and supervising or overseeing repair work on Club aircraft. The VP Maintenance is responsible for removing aircraft from the schedule for maintenance periods, returning aircraft to the schedule when they are again airworthy, planning for and posting scheduled maintenance periods including 50 and 100 hour inspections, annual inspections, engine changes, avionics upgrades/repairs, and any other required maintenance. The VP Maintenance shall maintain and keep current a board posted in the hangar with the status of all inspections and AD compliance for each aircraft. The VP Maintenance may conduct the maintenance himself if approved in FAR 43, or by hiring a licensed A&P, or by contracting with an FAA Repair Station. S/he should try to minimize costs by operating in the best interest of the club, purchasing parts, supplies and services independent of the individual or agency conducting the maintenance. S/he shall keep the VP Operations and the President advised of the current status of all maintenance activities. S/he supervises the Assistant VP Maintenance.

The Assistant VP Maintenance is responsible for helping the VP of Maintenance in his/her duties, and in the care and maintenance of the hangar (vending machine, etc.).

**Section 9. *Secretary.*** The Secretary shall keep or cause to be kept, at the principal office or other place ordered by the Board, a book of minutes of all meetings of members, the Board, and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice given of the meeting, the names of those present at Board and committee meetings, the number of members present or represented at members' meetings, and the proceedings of the meetings. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the corporation's Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board and any committees of the Board required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have other powers and perform other duties as prescribed by the Board.

**Section 10. *Treasurer.*** The Treasurer is the chief financial officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business or financial transactions of the corporation, and shall send or cause to be sent to the members of the corporation financial statements and reports as law or these Bylaws require to be sent to them. The books of account shall at all times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with depositories designated by the Board. The Treasurer shall, monthly, collect the flight tags and check them for compliance with scheduling and pilot currency. The Treasurer shall disburse the funds of the corporation as ordered by the Board, shall render to the President and the directors, whenever they

request it, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform other duties prescribed by the Board or assigned by the President.

## ARTICLE V. OTHER PROVISIONS

**Section 1. *Inspection of Corporate Records.*** Subject to Sections 8330, 8331, and 8332 of the California Nonprofit Mutual Benefit Corporation Law, a member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

(a) Inspect and copy the record of all the members' names, addresses, and voting rights, at reasonable times, upon five business days' prior written demand upon the corporation, which demand shall state the purpose for which the inspection rights are requested; or

(b) Obtain from the Secretary of the corporation, upon written demand and tender of a reasonable charge, a list of the names, addresses, and voting rights of those members entitled to vote for the election of directors, as of the most recent record date for which it has been compiled or as of a date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The Secretary shall make the membership list available on or before the later of 10 business days after the demand is received or after the date specified therein as the date as of which the list is to be compiled.

The corporation may, within 10 business days after receiving a demand, as set forth above in paragraph (a) or (b) of this Section 1, deliver to the person(s) making the demand a written offer of an alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. Any rejection of the corporation's offer shall be in writing and shall indicate the reasons the alternative proposed by the corporation does not meet the proper purpose of the demand made pursuant to paragraph (a) or (b) of this Section 1.

The accounting books and records and minutes of proceedings of the members and the Board and committees of the Board shall be open to inspection upon written demand on the corporation of any member at any reasonable time for a purpose reasonably related to the member's interests as a member.

**Section 2. *Inspection of Articles and Bylaws.*** The corporation shall keep in its principal office in the State of California the original or a copy of its Articles and of these Bylaws as amended to date, which shall be open to inspection by members at all reasonable times during office hours. If the corporation has no office in the State of California, it shall upon the written request of any member furnish to that member a copy of the Articles or Bylaws as amended to date.

**Section 3. *Endorsement of Documents; Contracts.*** Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by any one of the Chairman of the Board, the President or any Vice President, and by any one of the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the corporation shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in the manner from time to time determined by the Board. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

**Section 4. *Membership Certificates.*** Subject to the provisions of Section 7313 of the California Nonprofit Mutual Benefit Corporation Law, every member of the corporation shall be entitled to a certificate signed in the name of the corporation by any one of the Chairman of the Board, the President or a Vice

President, and by any one of the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, certifying the fact of membership and the class of membership owned by the member. Any or all of the signatures on the certificate may be facsimiles. If any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be an officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issue.

Except as provided in this section, no new certificate for membership shall be issued in place of an old one unless the old one is surrendered and cancelled at the same time. The Board may, however, if any certificate for membership is alleged to have been lost, stolen, or destroyed, authorize the issuance of a new certificate in place of the old one, and the corporation may require that the corporation be given a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including expense or liability) on account of the alleged loss, theft, or destruction of the old certificate or the issuance of a new certificate.

**Section 5. *Representation of Shares of Other Corporations.*** The President or any other officer or officers authorized by the Board or the President are each authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority granted in this Section may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by that officer.

**Section 6. *Construction and Definitions.*** Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

**Section 7. *Amendments.*** These Bylaws may be amended or repealed by approval of the members or by approval of the Board; provided, however, that members must approve any action that would:

- (a) materially and adversely affect the rights of members as to voting, dissolution, or redemption, or transfer of memberships;
- (b) increase or decrease the number of memberships authorized in total or for any class;
- (c) effect an exchange, reclassification, or cancellation of all or any part of the memberships;
- (d) authorize a new class of membership; or
- (e) specify or change a fixed number of directors or the maximum or minimum number of directors or change from a fixed to a variable number of directors or vice versa.

The power of members to approve the repeal or amendment of Bylaws is subject to the further approval of the members of a class if that action would:

- (a) materially and adversely affect the rights, privilege, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer of memberships in a manner different than that action affects another class;
- (b) materially and adversely affect that class as to voting, dissolution, redemption, or transfer of memberships by changing the rights, privileges, preferences, restrictions, or conditions of another class;
- (c) increase or decrease the number of memberships authorized for that class;
- (d) increase the number of memberships authorized for another class;
- (e) effect an exchange, reclassification, or cancellation of all or part of the memberships of that class;
- or
- (f) authorize a new class of memberships.

A Bylaw conferring some or all of the rights of a member of any class upon any person or entity who

does not have the right to vote on any of the matters set forth in Section 1 of Article II may be adopted only by approval of the members.

**Section 7. *Faculty Advisor.*** It has been the long-standing tradition of the corporation to have as its advisor and counsel in all corporate matters, and in enhancement of aviation safety, a faculty member from the Aviation program at San Jose State University, and it is the intention of this Bylaw to maintain that tradition by the annual selection by the Board of the such advisor. The advisor shall have no vote, and need not be a member of the corporation, but shall be a licensed pilot.

## **ARTICLE VI. INDEMNIFICATION**

**Section 1. *Definitions.*** For the purposes of this Article VI, “agent” means any person who is or was a director, officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of that predecessor corporation; “proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and “expenses” includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Section 4 or 5(c) of this Article VI.

**Section 2. *Indemnification in Actions by Third Parties.*** The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that that person is or was an agent of the corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if the person acted in good faith and in a manner the person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any 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 the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

**Section 3. *Indemnification in Actions by or in the Right of the Corporation.*** The corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that that person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if the person acted in good faith, in a manner the person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

(a) In respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable to the corporation in the performance of the person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in

view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval, unless the action concerns assets held in charitable trust and is settled with the approval of the Attorney General.

**Section 4. *Indemnification Against Expenses.*** To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Section 2 or 3 of this Article VI or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

**Section 5. *Required Determinations.*** Except as provided in Section 4 of this Article VI, any indemnification under this Article VI shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article VI, by:

(a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;

(b) Approval of the members, with the persons to be indemnified not being entitled to vote thereon;

or

(c) The court in which the proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not the application by the agent, attorney, or other person is opposed by the corporation.

**Section 6. *Advance of Expenses.*** Expenses incurred in defending any proceeding may be advanced by the corporation before the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the agent to repay the amount advanced unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article VI.

**Section 7. *Other Indemnification.*** No provision made by the corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of members or directors, an agreement, or otherwise, shall be valid unless consistent with this Article VI. Nothing contained in this Article VI shall affect any right to indemnification to which persons other than those directors and officers may be entitled by contract or otherwise.

**Section 8. *Forms of Indemnification Not Permitted.*** No indemnification or advance shall be made under this Article VI, except as provided in Section 4 or 5(c), in any circumstances in which it appears:

(a) That it would be inconsistent with a provision of the Articles, these Bylaws, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

**Section 9. *Insurance.*** The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in that capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against that liability under the provisions of this Article VI.

**ARTICLE VII. EMERGENCY PROVISIONS**

**Section 1. Procedures.** During any emergency resulting from an attack on the United States or on a locality in which the corporation conducts its activities or customarily holds meetings of its Board or its members, or during any nuclear or atomic disaster, or during the existence of any natural catastrophe, or other similar emergency condition, as a result of which a quorum of the Board or of the Executive Committee, if any, cannot readily be convened for action, a meeting of the Board or of that committee may be called by any officer or director. Notice of a meeting so called need be given only to such of the directors or members of the committee, as the case may be, as it may be feasible to reach at the time and by such means as may be feasible at the time including, without limitation, publication, or radio.

The director or directors in attendance at the meeting of the Board so called, and the member or members of the Executive Committee, if any, in attendance at the meeting of the committee so called, shall constitute a quorum. If none is in attendance at the meeting, the officers or other persons designated on a list approved by the Board before the emergency, all in the order of priority and subject to conditions and for the period of time (not longer than reasonably necessary after the termination of the emergency) as provided in the resolution approving the list, shall, to the extent required to provide a quorum at any meeting of the Board or of the Executive Committee, be deemed directors or members of the committee, as the case may be, for that meeting.

The Board, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during the emergency any or all officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties. The Board, either before or during any emergency, may, effective in the emergency, change the principal office or designate several alternative offices or authorize the officers so to do.

Bylaws adopted by majority vote of the membership at a meeting regularly noticed and held on:

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

\_\_\_\_\_, Secretary

FLYING TWENTY INCORPORATED