

QUAD CITY AREA FLYING EAGLES, INC.
BY-LAWS

ARTICLE I

The name of this corporation, as provided by its Articles of Incorporation, shall be "Quad City Area Flying Eagles, Inc."

ARTICLE II

The purpose of this corporation (hereafter called the "Club") shall be to own and maintain aircraft suitable for operation and use by its members for business, personal pleasure, or instruction flights: To encourage and enable its members to improve their flying skill; To promote and advance the use of private aircraft; To provide through its operation and maintenance of its aircraft the most economical flying facilities possible for its members; And to engage in such other ventures, activities, or business for the benefit of the Club and of its members as are permitted by the Articles of Incorporation of the Club.

Said organization is organized exclusively for charitable and benevolent purposes and is operated exclusively for pleasure, recreation, and other non-profitable purposes, specifically to provide for suitable aircraft maintenance for operation by its members for business, personal pleasure, or instruction flights.

No part of the net earnings of the Club inure to the benefit of any director or officer of the Club or any private individual or member (except reasonable compensation may be paid for services rendered to or for the Club affecting one or more of its purposes) and no director or officer of the Club or private individual or member shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Club beyond the book value of their investment certificate which shall in no event exceed the amount of investment paid by such member. No substantial part of the activities of the Club shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the

Club shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under §501(c)(7) of the Internal Revenue Code of 1986 or any corresponding provision of any future Internal Revenue law or (b) by a corporation contributions to which are deductible under §170(c)(2) of the Internal Revenue Code of 1986 or any future United States Internal Revenue law.

Upon dissolution of this Club, the assets will be distributed for one or more exempt purposes within the meaning of Section 501(c)(7) of the Internal Revenue Code as the Board of Directors shall determine. Any remaining assets undistributed after the foregoing steps are taken, shall be disposed of by order of the Circuit Court of the Fourteenth Judicial Circuit, Rock Island County, Illinois, for such purposes or to such organizations as the Court shall determine, which are operated and organized exclusively for such purposes.

ARTICLE III BOARD OF DIRECTORS

A. Exercise of Corporate Powers.

Subject to the limitations of the Corporations Code of the State of Illinois as to action which shall be authorized or approved by the members, all corporate powers shall be exercised by or under authority of, and the business and affairs of the club shall be controlled by a Board of Directors. Number of directors to be established annually, though not less than 5 or more than 11 shall be elected at the annual meeting. The number of directors shall be set by the members at the annual meeting. The officers of the corporation shall be a president, vice president, a treasurer, and a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected or appointed by the Board of Directors.

B. Election and Tenure of Office

Directors, elected or appointed as provided therein shall hold office for a term of one (1) year or until their successors are elected.

The directors authorized by this Article shall be elected by secret ballot vote of the membership on the 2nd Saturday during the month of April of each year.

At least thirty (30) days prior to the election period, a nominating committee shall be appointed by the president. This committee shall nominate one (1) candidate for election of the board for each director whose term expires. In addition at a membership meeting, which shall be held prior to the election, members shall be permitted to nominate candidates from the floor of the meeting. (The candidate must give consent to add their name to the nomination list.) The names of all candidates shall then be placed on the ballot. Each member shall be entitled to one vote. The candidates receiving the highest number of votes shall be elected.

C. Vacancies.

A vacancy in the Board of Directors exists in (a) the event of the death, resignation or removal of any director; (b) an increase in the authorized number of directors; (c) the failure of the members to elect the authorized number of directors in the annual election.

Vacancies may be filled by a majority of the remaining directors, or by a sole remaining director. Each director so appointed shall hold office until his successor is elected.

D. Removal of Directors.

The entire Board of Directors or any individual director may be removed from office by a majority vote of the members. However, unless the entire board is removed, an individual director shall not be removed if the number of votes against the resolution for removal exceeds the quotient arrived at when the total number of members entitled to vote is divided by one (1) plus the authorized number of directors.

E. Meetings.

Regular meetings of the Board of Directors shall be held at any place within or without the State which may be designated by resolution of the board or by written consent of the members of the board. Regular meeting shall be held on the 2nd Monday of each month at 7:00 o'clock p.m.

Special meetings of the board shall be called by the president or if he is absent or is unable or refuses to act, by any two (2) directors. written notice of special meetings shall be given by mail or delivered personally to each director at least five (5) days before the meeting. Notice of special meetings need not be given if written consent of the directors is obtained.

Notice of regular meetings is dispensed with.

The minutes of any special meeting of the board shall contain an entry showing that due notice of the meeting had been given to all directors. Said entry shall be conclusive evidence that due notice has been given to all directors and in the manner required by law and by these by-laws.

F. Waiver of Notice of Directors Meeting.

The transactions of any meeting of the board, regardless of how called or noticed, are valid if a quorum is present and if each of the directors not present signs a waiver of notice, a consent to the meeting, or an approval of the minutes of the meeting.

G. Quorum.

A majority of the authorized number of directors constitutes a quorum of the board for the transaction of business. Every act done or decision made or resolution passed by the majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors.

H. Compensation for directors.

No member of the Board of Directors will receive compensation for any regular monthly or special meetings held. (This may be changed at an annual meeting by the Board of Directors if majority of membership present agree.)

ARTICLE IV
OFFICERS

A. In General.

The officers of the Club shall be a president, vice president, secretary, and treasurer.

B. Election of Officers.

Officers shall be chosen annually by the Board of Directors at the first meeting after the annual election of the board. Each officer shall hold office until his successor is elected or until he shall resign or be removed. The Board of Directors shall within a reasonable time after any of the offices becomes vacant for any reason, elect a successor who shall hold office for the unexpired term or until his successor is elected.

C. Removal of officers.

Any officer is subject to removal by the Board of Directors, with or without cause by a majority vote of the directors when in office at any meeting of the Board of Directors, regular or special.

D. Duties of officers

1. President.

The president shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the club. The president shall preside at all meetings of the club and of the Board of Directors. He shall sign with the secretary or treasurer in the name of the Club all contracts, certificates, notes or other documents affecting the business of or in any way binding upon the club and promote the general welfare of the organization.

In the absence or disability of the secretary or treasurer, the president shall be vested with the powers of their office and shall perform all of their duties.

2. Vice-President.

The vice president shall perform the duties of the president in his absence, disability or refusal and in such event shall be vested with all of his powers. The vice president shall perform such other duties as from time to time may be assigned to him by the president or by the

Board of Directors.

3. Secretary.

The secretary shall keep a book of minutes of meetings of the Board of Director or members and shall keep a register of the members of the club. The secretary shall handle all correspondence and maintain a register of the post office address of each member which shall be furnished to the secretary by such Club member.

The books and records shall be open to inspection by the directors or by any member at any reasonable time. In general, the secretary shall perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Directors of the Club.

4. Treasurer.

The treasurer shall, subject to the advice and control of the Board of Directors, maintain adequate and correct accounts of the properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, losses and capital surplus.

The books and records shall be open to inspection by the directors or by any member at a reasonable time.

In general, the treasurer shall perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or Board of Directors of the Club.

No formal salaries shall be paid by the Club to any member. However reasonable compensation may be rendered to officers or members performing a function requested by the Board of Directors. Treasurer shall be compensated by amount set by the Board of Directors or be financially reported as a plane captain.

No finder's fee shall be paid to any member in bringing a new member into the Club.

ARTICLE V
MEMBERSHIP

A. Authorized Membership.

Membership to the Club shall be obtained only through two third (2/3) majority approval of the Board of Directors who shall be empowered to fix and determine conditions and requirements of membership. Full discretion shall be vested in the board as to the acceptance of the applicant and non-acceptance shall not require either disclosure of the director or directors rejecting or the reason why.

B. Membership Certificates-Transferability. Each member shall be issued an investment certificate in such form as shall be determined by the Board of Directors.

No membership or certificate of membership, shall be transferred, sold, pledged, assigned, bailed, alienated or hypothecated except as hereinafter provided.

No member shall be allowed to invest in excess of \$3,500.00 in the Club.

The Club reserves the right to limit membership at its discretion.

C. Classes of Membership.

Membership shall be classified as Active, Inactive, Terminated and Suspended and Associate.

1. Active

An active member is one who shall be tendered all privileges and benefits within the power of the club to bestow. An applicant for membership shall submit their application, purchase the minimum certificate of membership required for the group of aircraft they wish to fly, to the Board. The acceptance or refusal of any application shall be altogether at the discretion of the Board of Directors. Any monies received toward the purchase of membership will be returned with the applicant's refusal to the club by the Board of Directors. A family membership extends to a spouse and any children under the age of 21 living in the same household, and dues will be set at the single active member rate. A minimum commitment of two month dues is required to become active.

2. Inactive Membership.

An inactive member shall be considered as one who has been granted such a status by the Board of Directors... upon the members two (2) full calendar months written request or by the member falling ninety (90) days behind in club dues.

A member may remain in the inactive status for one (1) year before moving to Termination status. Members may become active again by making a payment of \$20.00 plus two (2) months minimum dues commitment. However, if the membership is full at that time, their name is added to the Club's waiting list.

3. Terminated Member.

A terminated member is one who severs all connections with the Club by submitting a written request to the Club board or by one who has been in the Inactive status for a period of one (1) year.

4. Suspended Membership.

A suspended member shall be considered as one who has been temporarily denied all privileges of membership in the Club by action of the Board of Directors. Dues and assessments of this member, as well as his assumption of any responsibilities assumed by the Club, shall continue. A period of suspension shall be limited to thirty (30) days, at the end of which time the Board shall be required to take further action or the member shall automatically become Active again.

5. Associate Membership.

The privilege of associate membership is extended to the members who hold a student pilot certificate. An associate member is subject to all of the obligations of membership and may exercise all of the privileges thereof, except that an associate member may not vote and owns no share or ownership interest in the Club. Associate membership is a privilege which is granted at the sole discretion of the Board of Directors. Associate membership is revocable by the Board of Directors at their sole discretion.

6. The Club shall have the first right of refusal on the investment certificate of any member who desires to terminate his interest in the Club. Such refusal will cause the member's investment to be placed on a list and disposed

of on a first in first out basis. There shall be a service charge of \$25.00 related thereto. All dues and flight bills may be deducted from proceeds if unpaid. The value of the membership shall be based upon the book value of the investment at time of request, but shall not exceed the member's original investment.

D. Qualifications and Eligibility for Membership.

Members must be of good moral character, responsible, and financially able to meet the obligations of the Club. They must possess or have the ability to procure all licenses, certificates or permits required by any governmental agency for the operation of aircraft. The Club reserves the right to instigate a background and credit record check on any member or prospective member at the direction of the Board.

E. Ownership of Assets and Rights Upon Dissolution. Each member shall be deemed to own a share of the assets of the Club based in proportion to the amount of investment certificates owned by the member and the total number of certificates sold by the Club. Upon the winding up or dissolution of the club, the assets shall be divided in accordance with the proportionate certificates held by the members at the time of dissolution.

F. Membership Dues, Charges and Assessments.

Each member shall be assessed monthly dues as fixed by the Board of Directors.

1. Members shall be charged monthly for time flown at hourly rates fixed by the Board of Directors, which rates shall be adequate to cover all operating expenses, maintenance, depreciation, insurance and other fixed charges not covered by the monthly dues.

2. Assessments. Special assessments of members may be made by the Board of Directors in unusual or extreme circumstances.

3. Payment.

Dues, charges and assessments are payable upon rendering of an account, and become delinquent upon the fifteenth (15) day of the month receiving your statement.

4. Penalties-Inactive Status-Termination.

A penalty shall be imposed at current legal interest rates per month of the balance in a member's account unpaid by the 25th day of the month following the close of the month for which the statement is submitted or a minimum of \$5.00, whichever is greater.

The Board of Directors shall have the authority to declare a delinquent member inactive and deny them use of Club aircraft. The Board shall have the authority to have the delinquent member pay the legal rates of interest on all past due accounts, plus any charges required to collect account if it becomes necessary to go to collections or court to settle account.

ARTICLE VI

A. Insurance.

The Club, shall at all times cover all aircraft with hull insurance against ground and flight damages, and shall carry aircraft liability insurance to protect the Club as a corporation and the members against liability, actions, suits for damages or judgments of third persons or members.

B. Damage to Aircraft.

The individual member shall be responsible for the safe operation of the Club aircraft, its engine or equipment, which damage is proximately caused by act of omission of the member, such member shall be liable for the damage sustained and may be assessed the uninsured, non-reimbursable cost of repair or replacement, not to exceed however, the sum of the deductible aircraft insurance then in effect.

C. Accident Investigation Board

In the event of accident, damage, destruction or loss of Club aircraft, engine or equipment, for which liability may be assessed under paragraph B of this Article, the Board of Directors shall appoint an Accident Investigation Board of three members. This Board shall then investigate and report its findings of fact and recommendations to the Board of Directors. In case of a doubt as to the cause of the accident, the Board of Directors shall abide by the findings of the FAA or National Transportation Safety Board. The action is deemed appropriate under paragraph B or D of this Article.

D. Liability for Gross negligence, Willful Violation of Law And Flight Under the Influence of Intoxicants or Drugs. In the event that any member be found by the Accident Investigation Board of FAA or National Transportation Safety Board to have caused loss, damage, destruction or injury to the Club or to its aircraft, engines or equipment through or by reason of gross negligence or willful violation of any Law, regulation or rule of the federal government, of any state or of the Club or while under the influence of intoxicating liquors or drugs, the member or his estate will be held liable for all such loss, damage, destruction or injury. The limitation of liability set forth in paragraph B of this Article will not be applicable in such event.

ARTICLE VII
MEMBERSHIP MEETINGS

The annual membership meeting will be held on the second Saturday of April during each year. This annual meeting will be held to enable the membership to nominate and elect the Directors of the Club as well as to conduct other required business of the Club.

Notice of meeting shall be given by mail at least one (1) week prior to the meeting date.

ARTICLE VIII
QUORUM AND VOTING RIGHTS

A majority of the membership other than members Terminated shall constitute a quorum for transactions of business at meetings.

Except as otherwise provided in these by-laws, a majority of the members present at any meeting at which a quorum is present may take action on any matter. Each member shall be entitled to one vote.

ARTICLE IX
AMENDMENTS TO BY-LAWS

By-Laws of the Club may be adopted, amended or repealed by a majority vote of the Directors at any meeting of the Board of Directors at which a quorum is present.

ARTICLE X
PRINCIPAL OFFICE

The principal office of the club shall be established and maintained in the State of Illinois at a location designated by the Board of Directors.

ARTICLE XI
FISCAL YEAR

The fiscal year of the Club shall be the year ending 31 December.

ARTICLE XII
GOVERNING LAW

The law of the State of Illinois, and specifically, the Illinois General Not-For-Profit Corporation Act as now enacted or as hereafter amended, shall govern this Corporation.

ARTICLE XIII
WAIVER OF NOTICE

Whenever any notice is required to be given by these By-Laws or any of the corporate laws of the State of Illinois, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at, or after the time stated therein, or before, at or after the meeting.

ARTICLE XIV
DISSOLUTION

The members upon dissolution are expressly authorized to transfer their share of the book value of their investment certificate in the Club to a similar organization to carry on the mission and purpose of the Club.

ARTICLE XV
PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Club in all cases to which they are applicable and in which they are not inconsistent with these By-laws and any special rules of order the Club may adopt.

Dated this 8th day of April, 2017.

Ron Anderson, Secretary

ACKNOWLEDGEMENT OF RECEIPT OF BY-LAWS

The undersigned Quad City Area Flying Eagles Inc. member acknowledges the receipt of the current Quad City Flying Eagles, Inc. By-Laws (copies on our website at www.qcflyingeagles.com) and agrees to be bound by their conditions and provisions and also acknowledges that they have read the by-laws and understand their purpose and intent.

DATED THIS _____ DAY OF _____, 20____

PRINT NAME _____

SIGN NAME _____

SIGNATURE OF PARENT OR GUARDIAN
OF MEMBER UNDER AGE OF 18.

PLEASE RETURN THIS ACKNOWLEDGMENT SHEET TO QUAD CITY AREA FLYING EAGLES OFFICE, OR MAIL TO: QUAD CITY AREA FLYING EAGLES, 6152 76th Avenue - Apt. D, Milan, IL 61264