

BYLAWS OF CYPRESS SOARING, INC.

Revised 1/2011

ARTICLE I - NAME AND PRINCIPAL OFFICE

Section 1.

The name of this Corporation shall be CYPRESS SOARING, INC. (hereinafter referred to as "The Club")

Section 2.

The principal office of this club shall be in the STATE OF CALIFORNIA at the residence of the then existing Secretary or Treasurer of the Club.

ARTICLE II - PURPOSE

Section 1.

The purpose of this Club shall be to promote gliding and soaring locally and nationally.

Section 2.

The Club shall provide flying activities and equipment for its members on a non-profit basis to encourage their training in all aspects of soaring.

ARTICLE III - AFFILIATION

Section 1.

This Club shall be associated with the Soaring Society of America, Inc. as a Chapter and all active members shall become members of the said Society and the Treasurer shall effect such membership by payment of dues and furnishing of information to the said Society as may be necessary and required.

ARTICLE IV - MEMBERSHIP

Section 1. Membership Organization

Membership in the Club shall consist of eight (8) classes: Active, Family, Junior, Sponsored, Sustaining, Inactive, Lifetime and Introductory.

Section 2. Admission

New members, either Active, Family, Junior or Sponsored may be admitted to the Club upon the affirmative vote of at least four (4) Directors.

Section 3. Membership Classes

An Active, Family, Junior or Sponsored member shall be entitled to participate in all Club activities and to utilize all Club equipment, subject to such rules and regulations provided in the Club Bylaws and Standard Operating Procedures and Flight Rules.

A person duly elected to the Club shall be deemed an active member upon payment of the initiation fee as determined by the Board of Directors and upon signing a release of the Club's claims and attend a minimum of two monthly membership meetings within each calendar year.

Section 4. Junior Membership

A Junior Member is subject to the following requirements and conditions: must be between the ages of 14 and 22; must be a full-time student (for college, 12 units or more).

A person duly elected to the Club shall be deemed a Junior Member upon payment of one-half (1/2) the initiation fee of an Active Member.

A Junior Member shall pay two-thirds (2/3) the amount of dues for the class of aircraft to which that Member is entitled. Upgrade fees shall be paid at the full rate. Upon reaching their 23rd birthday, the Junior Member shall be required to become an Active Member and shall be required to pay full monthly dues as prescribed for all Active Members.

A Junior member shall be restricted to the A1 and A2 class membership.

A Junior Member who desires to upgrade to A3 or A4 class membership will be required to become an Active Member, and pay full monthly dues as prescribed for all Active Members.

Section 5. Sustaining membership

A Sustaining Member shall be entitled to only the following: receive the club's newsletter; attend meetings without voting privileges or the ability to hold office; attend club social events; and receive only a 24 month flight review from club instructors in club aircraft.

A member whose dues are current, is eligible to become and remain a Sustaining Member by completing three or more years as an active member, providing a written request to the club's secretary, and paying all dues as established and required by the Board of Directors.

Section 6. Minors

A minor must have written consent of a parent or guardian to be elected to Active, Family or Junior Membership in the Club and the parents or guardian and the minor must sign the Club's release of claims before flying any Club equipment.

Section 7. Family Members.

The spouse or children of an Active Member may be elected to a Family Membership in the Club.

A person duly elected to the Club shall be deemed a Family Member upon payment of one-half (1/2) the Initiation fee of an Active Member.

A Family Member shall pay full dues for the class of aircraft to which the member is entitled.

Section 8. Inactive Members.

An Active Member who anticipates not being able to take an active part in the Club for a continuous period of three (3) months or more may become inactive by fulfilling all obligations to the Club.

The member shall notify the club's Secretary of their intention to become inactive in writing. An Inactive Member shall not pay monthly dues, hold office, vote, nor operate any flying equipment owned by the Club.

Inactive Members requesting a change to active status must go to the bottom of the waiting list.

Section 9. Sponsored Members.

The Board of Directors may establish Sponsored Membership in the Club at its discretion.

A Sponsored Member shall be required to maintain a "Student" membership in the SSA, but will be exempt from any initiation fee or monthly dues requirement(s) to the Club.

The Board of Directors will review each Sponsored Member's continuation status on their annual anniversary month.

The Sponsoring Member shall be responsible to the Club for any insurance deductible or any other expenses for operation of Club's equipment.

Upon reaching their 23rd birthday, the Sponsored Member shall be required to become an Active Member and shall be required to pay full monthly dues as prescribed for all Active Members.

A Sponsored Member shall be restricted to the A1 and A2 class membership.

A Sponsored Member who desires to upgrade to A3 or A4 class membership will be required to become an Active Member, and pay full monthly dues and transition fees as prescribed for all Active Members.

Section 10. Lifetime Members.

The Board of Directors may award Lifetime Membership to an individual who has made an outstanding contribution to the furtherance of the club and its purpose.

Section 11. Introductory Members.

An Introductory membership may be a one (1), thirty (30), sixty (60) or ninety (90) day membership in the club for the purpose of introducing an individual to gliding, soaring and Cypress Soaring, Inc.

An Introductory Member may fly club equipment with a current, active club member or a club instructor.

Section 12. Withdrawal

A member may withdraw from the Club after giving written notice to the Secretary and after fulfilling all obligations to the Club.

Financial obligations will be according to the schedule of fees in force at the time of withdrawal.

When a delinquent member fails to pay their dues, to pay any sum owed to the Club, or to make appropriate arrangements with the Board of Directors for the payment thereof, within sixty (60) days after due date, the member shall automatically be considered as having indicated their intention to withdraw.

Delinquent members re-applying for membership must go to the bottom of the waiting list. To be re-instated as an active member, the former member must apply as a new member, pay all initiation fees, and pay all delinquent obligations.

ARTICLE V - MEETINGS

Section 1. Annual Meeting:

(1) One Annual Meeting of the Members shall be held each year during the month of December at a time and place to be determined by the Board of Directors.

(2) The Annual Meeting is for the purpose of receiving the annual reports of the Club Officers, Directors and Committees; for the election of Officers and Directors; for establishing dues, fees, and other compulsory charges; and for such business as may properly come before the meeting.

(3) Notice of the Annual Meeting shall be sent by the Secretary to each Member by mail or electronic mail not less than fifteen (15) days before the meeting. The notice shall set forth the time, place and agenda of such meeting.

Section 2. Monthly Meetings.

Monthly Meetings shall be held as scheduled by the Board of Directors. The Board may change the date of any regular meeting provided members are notified at least one week in advance.

Section 3. Special Meetings:

(1) Special Meetings of the Members may be called at the discretion of the President, or a majority of the Board of Directors, or by written petition of at least one-fourth (1/4) of the Active Members.

It shall be the duty of the Secretary to call such meeting within ten (10) days after such demand.

Section 3. Special Meetings (cont'd):

(2) Notice of Special Meetings of Members, stating the time and in general terms the purpose thereof, shall be given to each Member at least five (5) days before such meeting.

(3) No business other than specified in the notice will be transacted at any Special Meeting of the Club.

(4) If all Active Members shall be present at any meeting, any business may be transacted without previous notice.

Section 4. Quorum.

The presence in person or by written proxy of 25% of the Active Members of the Club is necessary to constitute a quorum at each Annual, Monthly or special Meeting.

A lesser number shall adjourn to some future time not less than seven (7) days later.

The Secretary shall give notice of the new meeting at least three (3) days before, to each Active Member.

Section 5. Voting:

(1) Each Active Member in good standing is entitled to one vote.

(2) Each Active Member in good standing may designate any other Active Member as a proxy provided written authorization is filed with the Secretary.

Such authorization shall be dated and shall be valid for only one meeting. An Active Member may accumulate and vote no more than (2) proxies at any one meeting.

(3) A majority vote of the members present or by proxy is controlling unless otherwise specified in these Bylaws.

ARTICLE VI - BOARD OF DIRECTORS

Section 1. Members of the Board

The Board of Directors shall be composed of six (6) members: the four (4) Executive Officers of the Club, the Flight Committee Chairman, and the Maintenance Committee Chairman.

Section 2. Duties and Powers.

(1) The government of the Club shall be vested in the Board of Directors, who shall have the power to make all necessary contracts, to borrow money, to secure the same by mortgage, or deed of trust to the property of the Club, and as evidence of the indebtedness secured by such mortgage or deed of trust, to issue bonds, therefore, to pay and discharge all debts, and to do all matters and things necessary or incident to, or in aid of, the carrying out of the aim and purpose of the Club; and they shall have the charge and control of all property, and may levy assessments upon the Members in the manner and subject to such rules, regulations and restrictions provided by the Bylaws.

(2) Any assessment recommended by the Board of Directors must be approved by a three-fourths (3/4) vote of the entire Active Membership before becoming effective. The vote on any assessment shall be by written ballot.

(3) Any decision of the Board of Directors may be repealed by an affirmative vote of the three-fourths (3/4) of the entire Active Membership.

Section 3. Meetings

(1) Regular meetings of the Board of Directors shall be called at a time and place to be determined by the President.

(2) Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of two (2) Directors.

(3) Notice of Special Meetings of the Board of Directors, stating the time and in general terms the purpose, shall be mailed, electronically mailed or personally given to each Director no later than the day preceding the day appointed for the meeting.

(4) If all Directors shall be present at any meeting, any business may be transacted without previous notice.

(5) Four (4) Directors shall constitute a quorum of the Board at all meetings and the affirmative vote of at least four (4) Directors shall be necessary to pass any resolution or authorize any act of the Club.

Section 4. Vacancies.

Any vacancy in the Board of Directors occurring during the year through death, resignation, removal or other cause, shall be filled for the unexpired portion of the term by a majority vote of the remaining Directors.

Section 4. Vacancies (cont'd)

An exception to this rule shall be that in the event three (3) or more vacancies in the Board of Directors occurring at any one time, they shall be filled by vote of the Active Members at a meeting duly called.

Section 5. Standing Rules.

(1) Each Member of the Board of Directors shall serve without compensation or reward, except as otherwise provided in these Bylaws.

(2) No Officer nor any member of the Board of Directors shall be interested either directly or indirectly in any contract relating to the operations conducted by the Club nor in any contract for furnishing supplies or equipment thereto, unless specific exception is made by the affirmative vote of two-thirds (2/3) of the Active Members present at a meeting.

(3) The Board of Directors shall cause to be kept a complete record of all its acts and proceedings of its meetings, and to present a full statement at the Monthly Meetings of the Members, showing in detail the condition of the affairs of the Club.

ARTICLE VII - OFFICERS

Section 1. The Executive Officers of the Club shall be the President, Vice President, Secretary, and Treasurer.

Section 2. The Executive Officers shall be elected by the Active Members at the annual Meeting of the Club.

Section 3. The Executive Officers shall hold office for twelve (12) months commencing on January first.

ARTICLE VIII - PRESIDENT

Section 1.

The President is the chief executive officer of the Club.

Section 2.

The President shall preside at all membership meetings, and at all meetings of the Board of Directors.

Section 3.

The President shall appoint all committees with the approval of the Board of Directors and shall be an ex officio member of all committees.

Section 4.

The President shall sign and execute all contracts in the name of the Club when authorized to do so by the Board of Directors; appoint and discharge agents and employees, or delegate this duty, subject to the approval of the Board of Directors; and shall have general supervision over the management of all affairs of the Club.

ARTICLE IX - VICE-PRESIDENT

Section 1.

The Vice-President shall be vested with all the powers and shall perform the duties of the President in case of the absence or disability of the President.

Section 2.

The Vice-President shall also perform other duties in connection with the operation of the Club as may be directed by the President.

ARTICLE X - SECRETARY AND TREASURER

Section 1.

The Secretary shall perform all duties incident to the Office of the Secretary, subject to the control of the Board of Directors, including: keep the minutes of all proceedings of the Members and of the Board of Directors in books provided for that purpose; attend to the giving and serving of notices of all meetings of the Members and of the Board of Directors; keep a proper membership book showing the name of each member of the Club, the book of Bylaws, the Club Seal, if any, and such other books, records and papers as the Board of Directors may direct; execute with the President, in the name of the Club, all certificates of membership, contracts and instruments which have been first approved by the Board of Directors.

Section 2.

The Treasurer shall execute in the name of the Club all checks for expenditures authorized by the Board of Directors.

The Treasurer shall receive and deposit all funds of the Club in the bank(s) selected by the Board of Directors, which funds shall be paid out only by checks as herein before provided.

The Treasurer shall account for all receipts, disbursements and balance on hand.

Together with the President, The Treasurer shall prepare the annual budget and submit it to the Board of Directors for their approval.

Section 3.

The Secretary and/or the Treasurer shall also perform other duties in connection with the operation of the Club as may be directed by the President.

XI - FLIGHT COMMITTEE

Section 1.

The Active Members shall elect a Flight Committee Chairman at the Annual Meeting who shall then be a member of the Board of Directors.

Section 2.

The Flight Committee Chairman shall hold office for twelve (12) months or until a successor is selected and qualified. The Flight Committee Chairman shall make monthly reports to the Board of Directors.

Section 3.

The Flight Committee Chairman shall appoint two (2) or more active Members to serve on the Flight Committee, subject to the approval of the Board of Directors.

Section 4.

The Flight Committee shall bear the responsibility for drawing up a set of Standard Operating Procedures and Flight Rules for the Club that shall be submitted to the Board of Directors and, when adopted by a majority vote of the Board, shall be binding on all Members of the Club.

The Standard Operating Procedures and Flight Rules shall supplement but may not supersede any of the Federal Aviation Administration's Regulations or the provisions of these Bylaws.

Section 5.

The Flight Committee shall bear the responsibility for arranging ground instruction for the Members. The Flight Committee shall make recommendations to the Board of Directors those members with valid CFI ratings who should be considered to act as club's Certified Flight Instructors.

Section 6.

The Flight Committee Chairman shall supervise all flying activities and has the authority to ground the Club equipment or personnel when the Flight Committee Chairman feels that the operation of the equipment, or the operation of the equipment by any individual, would act to the detriment of the Club's interests.

The Flight Committee Chairman may restrict the operation of the equipment to particular fields, and disallow the operation of the equipment for particular flight plans.

The grounding of any Member of the Club for more than one week shall be reviewed by the Board of Directors at their next regular meeting or at a special meeting called for that purpose.

XI - FLIGHT COMMITTEE (cont'd)

Section 7.

The Flight Committee shall make a detail report to the Board of Directors of any accident involving Club property. This report shall recommend any action required.

ARTICLE XII - MAINTENANCE COMMITTEE

Section 1.

The Active Members shall elect a Maintenance Committee Chairman at the Annual Meeting who shall then be a member of the Board of Directors.

Section 2.

The Maintenance Committee Chairman shall hold office for twelve (12) months or until a successor is elected and qualified.

The Maintenance Committee Chairman shall make monthly reports to the Board of Directors.

Section 3.

The Maintenance Committee Chairperson shall appoint two (2) or more Active Members to serve on the Maintenance Committee subject to the approval of the Board of Directors.

Section 4.

The Maintenance Committee shall have the duty to see that the Club's equipment is properly maintained at all times and that the maintenance complies with the regulations set forth by the Federal Aviation Administration.

Section 5.

The Maintenance Committee Chairman shall be responsible for coordinating all maintenance work, for supervising general preventive maintenance and shall notify the Flight Committee Chairman as to the operational status of the equipment.

The Maintenance Committee Chairman may authorize any repairs not exceeding \$200.00 all repairs in excess of this amount must first have the approval of the Board of Directors.

ARTICLE XIII - SPECIAL COMMITTEES

Section 1.

Special committees may be formed by the President at any time as deemed necessary or advantageous to the Club.

Section 2.

Chairman of special committee shall attend Board of Directors' Meetings when they have business to transact.

ARTICLE XIV - SUSPENSION, EXPULSION AND REMOVAL FROM OFFICE

Section 1.

A member may be removed from office, suspended for a period, or expelled for cause, such as violation of any of these Bylaws, or Standard Operating Procedures and Flight Rules, or other rules of the Club or for conduct prejudicial to the best interests of the club.

Such removal, suspension or expulsion shall require a two-thirds (2/3) vote of all the Active Members in attendance at a special Meeting, provided that a statement of the charges and a notice of the time and place of the Special Meeting have been mailed or electronically mailed to the Members at least fifteen (15) days before the Special Meeting, and that the Member will have an opportunity to present a defense at the meeting. Voting by mail or proxy shall not be permitted at such Special Meeting.

ARTICLE XV - FINANCES

Section 1.

The Board of Directors shall establish a schedule of fees that shall be sufficient to pay the Club's expenses and to maintain the value of the Club's assets.

Section 2.

The fiscal year shall be from December 1st through November 30th.

Section 3.

Annually, between the end of the fiscal year and the Annual Meeting, the books and accounts shall be audited by a special committee of two (2), appointed by the President with the advice and consent of the Directors.

The Board of Directors, by a majority vote, may cause an independent audit to be made by an outside auditing firm at any time when, in their judgment it is deemed advisable.

ARTICLE XV - FINANCES (cont'd)

Section 4.

The net savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club's treasury for the purchase of new equipment, contingencies, or for the purpose of reducing the monthly dues as shall be determined by the Board of Directors.

The net savings in any event shall not be distributed to the Members for their individual use.

Section 5.

The Club shall carry liability insurance to protect the corporation and its members against suits by third parties.

Section 6.

The Club shall carry hull insurance or maintain a fund to insure against loss of property through damage by accident, fire or theft.

Section 7.

Each and every operation of any aircraft owned or operated by the Club shall be conducted at the risk of the member under whose jurisdiction the aircraft is assigned, insofar as responsibility for damage resulting from the operation of said aircraft is concerned, provided that in any one accident, loss or destruction of said aircraft, the member operating the aircraft will be assessed for the first fifteen hundred dollars (\$1,500.00) of the cost of the accident.

ARTICLE XVI - AMENDMENTS

Section 1.

Amendments of these Bylaws may be by a two-thirds (2/3) vote of the active members of the Club in good standing.

Amendments may be acted upon at any meeting of the members, or by mail ballot, provided that the substance of the proposed amendment shall have been stated in the notice of the meeting and that each member shall have had at least one week's notice in advance of such proposed amendment.

ARTICLE XVII - DISSOLUTION

Section 1.

The Club may be dissolved by an affirmative vote of two thirds (2/3) of the active members.

Section 2.

Funds received from the sale of all Club assets at the time of the dissolution shall, after all obligations of the Club have been paid, including refunding Initiation fees, paid to the Club within the 12 months prior to the dissolution vote be given to a worthy organization with a similar purpose.

**ARTICLE XVIII –
THE MICHAEL WALLACE MEMORIAL SCHOLARSHIP FUND**

Section 1.

In furtherance of the stated purpose of Cypress Soaring, Inc., the Club shall directly support the operation of The Michael Wallace Memorial Scholarship Fund, a California non-profit club.

(1) Cypress Soaring, Inc. shall, at every annual meeting, nominate at least two members of Cypress Soaring, Inc. as candidates for selection as officers to serve on the Board of Directors of The Michael Wallace Memorial Scholarship Fund.

The Board of Directors of The Scholarship Fund shall vote on final selection of successor Directors.

(2) The Michael Wallace Memorial Scholarship Fund shall be operated according to its own charter and bylaws.

Section 2.

Cypress Soaring, Inc. shall require an annual reporting of The Scholarship Fund activities by the Fund Directors.

(1) Members of Cypress Soaring, Inc. shall be appointed to perform an annual, independent audit of the books and accounting records of the Scholarship Fund. The Treasurer of the Scholarship Fund shall be required to present an annual report of the financial activities and condition of the Fund to the members of Cypress Soaring, Inc.

Section 3. Dissolution and Fund Transfer.

If Cypress Soaring, Inc. is dissolved in accordance with the Club bylaws, or if the Club is no longer able or desires to support the Scholarship Fund in accordance with these bylaws, this Article may be amended or revoked by a two thirds (2/3) vote of the active membership of the Club.

(1) If Cypress Soaring, Inc. elects to discontinue support of the Scholarship Fund, the Board of Directors of the Scholarship Fund shall determine the disposition of the Fund assets in accordance with the Charter and Bylaws of the Scholarship Fund and Internal Revenue Code Section 501(c)(3)

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