

**BOEING EMPLOYEES FLYING ASSOCIATION, INC.**

***BEFA***

**BYLAWS**

**November 1, 2006**

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## ARTICLE I - PURPOSE

- SECTION 1. The Boeing Employees' Flying Association was incorporated under the laws of the State of Washington in 1954 as a non-profit corporation for charitable education and other purposes as follows: To foster, promote, engage in and conduct all phases of flying and related activities.

## ARTICLE II - PLACE OF BUSINESS

- SECTION 1. The place of business of the corporation shall be The Boeing Company, P. O. Box 3707, Seattle, Washington, 98124.

## ARTICLE III - MEMBERSHIP

- SECTION 1. The membership shall consist of six categories:
- (a) Participating Members
  - (b) Affiliate Members
  - (c) Family Members
  - (d) Associate Members
  - (e) Guest Members
  - (f) Service Members
- SECTION 2. Participating Members shall own an interest in the Association's property holdings by a share purchase and shall be open to the following:
- (a) Boeing employees and retirees.
  - (b) Government, Customer and Vendor personnel assigned full time to The Boeing Company who have a permanent Boeing badge, and CFIs approved by the Board to instruct at BEFA.
- SECTION 3. Affiliate Members shall be those who are qualified under Section 2 of this Article, but shall not have a membership term of greater than 6 months. Affiliate members will be limited to 5% of the total membership, shall not own an interest in the Association's property holdings, and shall not be able to cast a ballot concerning BEFA matters.
- SECTION 4. Family Memberships shall be open to the spouse, domestic partner, and IRS dependents of Participating members. The supporting Participating member must declare the family membership in a signed statement to the Board. Family Members shall not own an interest in the Association's property holdings, and shall not be able to cast a ballot concerning BEFA matters.
- SECTION 5. Associate Membership shall be owner(s) of aircraft leased by the Association. Associate Members shall not own an interest in the Association's property holdings, and shall not be able to cast a ballot concerning BEFA matters.
- SECTION 6. Guest Membership shall be open to:
- (1) Former Boeing employees, other than retirees
  - (2) Former members of BEFA
  - (3) Dependents not qualified for Family Membership, domestic partners, stepchildren, grandchildren, parents and siblings of individuals who qualify for membership and spouses of children of those qualifying for membership
  - (4) Other individuals whose membership, in the judgment of the Board, would support and benefit the activities of BEFA.
- Guest members shall contribute an amount equal to the cost of a share appropriate to their flying class and will own an interest in the Association's property holdings, but shall not be able to cast a ballot concerning BEFA matters.
- SECTION 7. Service Members shall be individuals engaged by the association to provide service to BEFA. Such individuals may or may not be compensated. Flying privileges shall be granted only when necessary for accomplishment of the tasks for which they are engaged. Service members shall not own an interest in the

Association, shall not be able to cast a ballot concerning BEFA matters, and shall not pay fees, dues, nor insurance.

- SECTION 8. Applications for membership shall be made through the Secretary and membership shall be conferred upon approval of the Board and payment of the prescribed initiation charges. The Board shall review and approve applications for membership without regard to race, color, gender, sexual orientation, age, religion, national origin, status as a special disabled veteran, or the presence of a disability.
- SECTION 9. All members, upon initial acceptance into membership, shall be provided with a copy of the Association Bylaws, Rules of Operation, and a membership certificate.
- SECTION 10. Participating membership shall be reviewed each year in the month of January to verify the eligibility of members. Participating members not meeting all eligibility requirements of these Bylaws and the Rules of Operation shall be terminated or offered Guest membership at the discretion of the Board.

#### ARTICLE IV - INITIATION FEE, SHARES AND DUES

- SECTION 1. The initial costs for a membership shall be as follows:
- (a) Share.
  - (b) Initiation fee.
  - (c) Monthly dues (first month prorated)
- SECTION 2. The amounts and conditions authorized for the items of Section 1 shall be determined by the Board based on the financial condition of the Association, and stipulated in the Rules of Operation.
- SECTION 3. Adjustments to Shares and monthly dues apply to existing members.

#### ARTICLE V - MEETINGS

- SECTION 1. Regular membership meetings shall be held at the times and places designated by the Board. Written notice of the times and places of the meetings shall be mailed to each participating member not less than five days prior to the meeting date.
- SECTION 2. Board meetings shall be held at such times, places and upon such notice as the Board may direct. The Board may delegate to the Chairman the authority to call meetings and to give notice thereof.
- SECTION 3. Special meetings of the Board may be called by the Secretary at the request of any two members of the Board. Special membership meeting must be called by the Board. Special membership meetings must be called by the Board upon the written petition to the Secretary signed by fifteen members.
- SECTION 4. Special membership and special Board meetings may be held after due notice, but no business other than that set forth in the agenda attached to the meeting notice shall be transacted. These meetings shall be closed to non-members except when specifically designated otherwise.
- SECTION 5. A quorum at all meetings, other than Board meetings, shall be constituted by one-third of the Participating members. At Board meetings, a quorum shall be two-thirds.

#### ARTICLE VI - PROXIES

- SECTION 1. The right of proxy representation at meetings may be exercised by Participating members.

#### ARTICLE VII - RULES OF ORDER

- SECTION 1. In case of question concerning methods of procedure at business meetings, Robert's Rules of Order shall prevail.

#### ARTICLE VIII - BOARDS AND DUTIES

- SECTION 1. There shall be a Board of Trustees and a Safety Board.
- SECTION 2. Board of Trustees (Termed "Board" in these Bylaws).

- (a) The Board shall consist of the following officers: The President, Vice-President, Operations Officer, Secretary, Treasurer and Safety Officer. If requested by the Board, a Recreation Advisor provided by The Boeing Company shall serve as a non-voting ex-officio member of the Board.
- (b) The Board shall decide on all expenditures, promotion of activities, appointments of committees, and the general governance of the Association.
- (c) The Board shall meet each month prior to the first regular membership meeting of the month. Date and time of meeting shall be set by the President.

SECTION 3. Safety Board

- (a) The President, Operations Officer, Safety Officer and one appointed from the membership at large, shall constitute the Safety Board.
- (b) The Safety Board shall investigate accidents, incidents, and occurrences arising from operation of BEFA aircraft by BEFA members.
- (c) The Safety Board shall report findings and recommendations to the Board of Trustees for final action.

ARTICLE IX - OFFICER DUTIES

- SECTION 1.
- (a) Individual officers may exercise specific, lawfully delegated powers of the Board in the management of the business and affairs of the Association
  - (b) Any Board member who misses three consecutive scheduled Board meetings shall forfeit his position on the Board and resign. In addition, any Board member who misses five scheduled meetings within any consecutive twelve month period shall forfeit his position on the Board and resign.

SECTION 2. The President shall:

- (a) Preside at all business meetings.
- (b) Be Chairman of the Board of Trustees.
- (c) Appoint committees, not otherwise provided for, and fill committee and protem vacancies.
- (d) Perform such other duties as his office may require.
- (e) Attend all meetings of the Boeing Employees Recreation Council, or delegate a representative in case of his inability to attend.

SECTION 3 The Vice-President shall:

- (a) Oversee and coordinate the efforts of all major committees.
- (b) Perform the duties of the President in the absence of that officer.

SECTION 4. The Operations Officer shall:

- (a) Supervise and arrange for all Association flight activities, and for this purpose, will maintain an appointment book.
- (b) Be responsible for constraining use of Association's aircraft so as to be consistent with the best interests of the Association, and keep all appropriate records.
- (c) Be responsible for proper maintenance of the Association aircraft.
- (d) Act as Chairman of the Rules Committee.
- (e) Have authority to delegate above responsibilities.

SECTION 5. The Secretary shall:

- (a) Keep the minutes of all meetings.
- (b) Maintain an up-to-date membership roster and report additions or deletion to the Recreation Unit.
- (c) Keep a record of regular membership meeting attendance.

- (d) Handle all Association correspondence.
- (e) Prepare and establish a regular Association Newsletter
- (f) Prepare and distribute ballots pertaining to amendments to these Bylaws.
- (g) Have authority to delegate above responsibilities.

SECTION 6. The Treasurer shall:

- (a) Be responsible for accurate accounting of all financial transactions of the Association.
- (b) Be responsible for receipt and disbursement of all Association funds subject to the will of the Board.
- (c) Make disbursements by check only.
- (d) Be responsible for rendering a monthly financial report.
- (e) Submit a quarterly financial and membership report to the Recreation Unit.
- (f) Prepare and present an annual budget forecast to the Recreation Unit.
- (h) Have authority to delegate above responsibilities.

SECTION 7. The Safety Officer shall:

- (a) Establish guidelines pertaining to Safe Operating Practices and ensure publication.
- (b) Establish requirements and curriculum for all check rides.
- (c) Review itinerary of cross-country trips for proper planning and consistency with airplane and pilot capability.
- (d) Ensure adequate records of check rides, licenses and medical examinations for all members.
- (e) Review qualifications and recommendations and submit names of prospective flight instructors and check pilots for approval of the Board.
- (f) Coordinate activities of Board approved flight instructors and check pilots.
- (g) Have authority to delegate above responsibilities.

SECTION 8. The Immediate Past President shall:

- (a) Serve as Chairman of the Executive Committee
- (b) Serve as Chairman of the Election Committee
- (c) Have authority to delegate above responsibilities subject to approval by the Board

SECTION 9. There shall be such agents as the interest of the Association shall require, and as the Board may from time to time employ, and their powers, duties and compensation shall be fixed by the Board.

## ARTICLE X - COMMITTEES AND DUTIES

SECTION 1. There may be a Rules Committee, a Program Committee, a Membership Committee and a Publicity Committee as required. Except for the Rules Committee, each shall be chaired by an appointee of the Board and staffed by appointees of the Committee Chairman.

SECTION 2. There shall be an Executive Committee comprised of the Chairman, the President, the Treasurer, and the Operations Officer. Additional members may be appointed from time-to-time, by the Chairman.

The Executive Committee shall, upon Board request, review questions of business interest to the Association and make reports and recommendation for disposition by the full Board.

SECTION 3. There shall be an Election Committee comprised of the Chairman and at least two members, all of whom shall be appointees of the Board at least two months prior to the election.

SECTION 4. The Rules Committee shall:

- (a) Be chaired by the Operations Officer.
- (b) Review, recommend and submit for Board approval rules and/or changes to rules not covered by the provisions of these Bylaws.
- (c) Cause to be published, after Board approval, revised "Rules of Operation".

SECTION 5. The Program Committee shall:

- (a) Plan and coordinate the program for the regular membership meetings.
- (b) Cause publication of notices and agenda for the regular membership meetings.

SECTION 6. The Membership Committee shall:

- (a) Furnish new members with the procedures and operation of the Association.
- (b) Acquaint new members with the procedures and operation of the Association.

SECTION 7. The Publicity Committee shall:

- (a) Prepare and cause to be distributed all advertising material associated with the Association's activities.
- (b) Coordinate with the Recreation Unit all publicity prior to release.

SECTION 8. The Election Committee shall:

- (a) Nominate Association members for the Officer positions.
- (b) Accept additional officer position nominations during the nomination meeting.
- (c) Prepare and distribute ballot and voting instructions to all Participating members of record.
- (d) Tabulate ballots.
- (e) Submit election results to the Secretary.

#### ARTICLE XI - ELECTIONS

SECTION 1. Officer position shall be filled by secret mail ballot in October, term beginning January One following.

SECTION 2. The term for each office shall be two years.

SECTION 3. One half of the officer positions shall be filled by election each year. The positions of the Vice President, Safety Officer and Treasurer shall be filled for terms starting with even number years.

SECTION 4. (a) Board membership is open to participating members according to the following: The Treasurer must be a Boeing employee. The President, Vice President and Secretary may be an employee or a retiree from Boeing. No two members of the same family may simultaneously hold offices of President, Vice President, Secretary, or Treasurer. Any other Board member positions, whether elected or appointed, may be held by a participating member, or by a family member. If a Treasurer retires during his/her term, he/she can serve out the rest of the term.

- (b) Only Participating Members are eligible to vote.

SECTION 5. A candidate is elected by a plurality of ballots cast for that office. In case of a tie vote, the Board and the Election Committee shall determine the elected officer by a majority vote of the Board and the Election Committee members.

SECTION 6. (a) An officer recall election shall be held upon presentation of a petition by a Participating Member to the Board of Trustees. The petition of recall must be signed by at least 10% of the Participating Members. An Election Committee shall be established by the Board of Trustees to verify the validity of the petition signatures and to perform the functions of Article X Section 8.(c), (d) and (e). Two thirds of those responding must vote for recall for it to take effect. If a recall is approved the office shall be filled according to Article X Section 8. (a) and the officer shall be elected by a majority vote of the Board of Trustees and the Election Committee members.

- (b) The President of the Board shall direct the Election Committee to select two candidates for the vacated position. The Board of Trustees and the Election Committee shall vote for the successor of the vacated position.

SECTION 7. Conflict of Interest. No BEFA member with a conflict of interest with respect to the management of, or operation of, BEFA shall serve as a BEFA officer or serve on the Board of Trustees. Such a Conflict of Interest shall be defined as follows: Employment by, or direct or indirect interest in any firm, organization, corporation, partnership, or enterprise with which BEFA conducts business. This restriction shall **not** apply to the ownership of aircraft leased to BEFA by participating members who have been elected or appointed to the Board of Trustees. However, any BEFA officer who is or has expressed intent to be involved in any way in the ownership of an aircraft leased to BEFA must abstain from any Board of Trustee deliberations or votes associated with aircraft leases.

SECTION 8. No member is eligible to hold more than one elective office at a time nor be retained in office more than two successive terms.

#### ARTICLE XII - MEMBERSHIP TERMINATION & LOSS OF PRIVILEGE

SECTION 1. Voluntary termination requires a written notice to the Secretary at least 30 days in advance of the effective date.

SECTION 2. Expulsion for cause may be affected by a two-thirds vote of the whole Board following all hearings of the case. The member must be invited to participate in one of the hearings.

SECTION 3. An expulsion investigation may be recommended by any member by making known the grounds to the Board, the Safety Board, or the Rules Committee.

SECTION 4. Notice of automatic expulsion shall occur when member charges due the Association are 60 days in arrears.

SECTION 5. Refund, if any, of the member's share will be made in accordance with the Rules of Operation. Any refund of member's share will be made at a time the Treasurer determines that the Association's resources will permit, but no later than 15 days after sufficient funds are available from sale of shares to incoming members.

SECTION 6. Refunds shall be made in order of the receipt of notice, except that a resigning member who is entitled to sale of his share according to the Rules of Operation, and who arranges the sale of his own share shall be entitled to the refund thereby made available.

SECTION 7. Flying and scheduling privileges of aircraft controlled by the Association shall cease on:

- (a) The effective date of a voluntary termination.
- (b) The date on which charges due the Association are 30 days in arrears.
- (c) The date of grounding for any rule infraction.

#### ARTICLE XIII - GOVERNMENT

SECTION 1. The entire management and government of this Association, except as otherwise expressly provided herein, shall be invested in the Board.

#### ARTICLE XIV - ASSOCIATION PROPERTY

SECTION 1. The Association shall procure and own property holdings as approved by a two-thirds majority of the whole Board.

SECTION 2. Property holdings purchased by the Association with the Association funds shall be considered Association Property and not the property of any individual member or group of members.

SECTION 3. Member's claim on or interest in the assets, property or equipment of the Association shall cease upon termination of membership for any cause.

SECTION 4. The Association shall endeavor to provide one airplane for each fifteen participating members. This ratio shall not be less than one airplane for each 30 participating members.

- SECTION 5. In the event of damage to any property controlled by the Association, the following shall apply:
- (a) When damage occurs that is not caused by aircraft equipment or engine malfunction, the cost of repairs up to a maximum amount, as stipulated in the Rules of Operation, shall be borne by the member at fault. The balance of the repair costs shall be assessed equally upon all members of the Association, or be taken from the Treasury.
  - (b) Where damage is a result of aircraft, equipment, or engine malfunction, repair costs shall be borne entirely by assessment or taken from the Treasury.

#### ARTICLE XV - TREASURY

- SECTION 1. The Board shall specify a commercial depository for providing checking and savings services as required. All checks shall bear at least two signatures duly authorized by the Board.
- SECTION 2. The Board shall establish the amount in excess of budget items which the officers may disburse without Board Approval of the specific expenditures. Such expenditures shall have approval of at least two out of three of the following officers: Vice President, Treasurer, or President.
- SECTION 3. The financial accounts of the Association shall be subjected to an annual independent audit.

#### ARTICLE XVI - RECORDS, BOOKS AND ACCOUNTS

- SECTION 1. A permanent file of all correspondence, reports and publications of the Association shall be maintained by the Secretary. The following records are required under these Bylaws.
- Summary of policy and procedure for conducting business.
  - Summary report of Board and members in policy directives.
  - Minutes of the board and membership meetings.
  - Such other records as the Board may direct.
- SECTION 2. The fiscal year of the association shall begin January 1 and end December 31.
- SECTION 3. Separate financial and budget accounts shall be maintained for the general business operations, and each airplane operated by the Association.

#### ARTICLE XVII - SERVICES AND SUPPLIES

- SECTION 1. Services and supplies provided by the Association to its members and charges for same shall be approved by the Board prior to the announcement of the service. The Board shall change the charges as necessary to maintain the Association a sound financial basis.
- SECTION 2. No member, other than officers and agents shall use stationery bearing the letterhead or emblem of the Association unless such stationery is suitably identified as member stationery.

## ARTICLE XVIII - PUBLICATIONS

- SECTION 1. The Association shall issue such publications as the Board may direct. One copy of each publication shall be placed in the permanent file of the Secretary.

## ARTICLE XIX - EMBLEM

- SECTION 1. The emblem of the Association shall be in a form approved by the membership.

## ARTICLE XX - SEAL

- SECTION 1. The seal of the Association shall be in the form of a circle and shall bear the name of the Association, the year of its incorporation and the word "seal".

## ARTICLE XXI - AMENDMENTS

- SECTION 1. These Bylaws may be altered, amended, or replaced by the affirmative vote of 60 percent of the participating members responding to a secret written ballot. Written notice of such an election must be mailed to participating members not less than five days in advance, indicating that a vote will be taken and the general subject. Article VI shall apply.
- SECTION 2. All proposed amendments to these Bylaws will be submitted to Boeing Recreation for review prior to submission for a vote by participating members.

SECTION 2.

## ARTICLE XXII - DISSOLUTION

- SECTION 1. The Association may be dissolved through the procedure specified by the laws of the State of Washington.
- SECTION 2. In the event of the Boeing Employees' Flying Association, Inc. disbanding, Association property shall revert to the Recreation Unit for disposal. Proceeds from disposal of airplanes, airplane accessories, etc., shall be divided among participating members of record as of date of dissolution of the Association in proportion to the money a member has deposited in the Treasury. Proceeds from disposal of property, excluding airplanes, aircraft accessories, etc., shall be divided equally among participating members of record as of date of dissolution of the Association.

Print Name:\_\_\_\_\_ Sign Name:\_\_\_\_\_ Date:\_\_\_\_\_  
BEFA President

Print Name:\_\_\_\_\_ Sign Name:\_\_\_\_\_ Date:\_\_\_\_\_  
Recreation Staff  
The Boeing Company