

## BY-LAWS

NORTHEAST COUNCIL OF AIR SHOWS INC.

### SECTION 1. NAME

The name of this Corporation is North East Council of Air Shows Incorporated, hereinafter known as the "Corporation."

### SECTION 2. PRINCIPAL OFFICE

The Corporation's principal office shall be as established by the Board of Directors.

### SECTION 3. PURPOSES OF CORPORATION

The aims and objectives of this Corporation include, but are not necessarily limited to, the following:

- A. To promote the professional presentation of and performance in air shows.
- B. To assist in the exchange of information between all members and other interested parties to promote safety and excellence in the air show industry.
- C. To enhance the air show industry, its integrity and stability through communications, educational and benefit programs designed to meet the needs of all members, and to otherwise do any and all things to further the above goals.

### SECTION 4. MEMBERSHIP

#### A. Membership Categories

1. Event Organizer. An Individual, group or organization, which sponsors or assumes ultimate responsibility for an airshow or shows.
2. Producer. An individual, partnership, corporation or other lease entity that produces air shows of any size or format under his or her own name or on behalf of a sponsoring organization.
3. Performer. An individual or group of individuals engaged professionally as performing talent in air show(s). This shall include the commanding officer of an official military demonstration team.
4. Support Service. An individual, group or organization providing air show support services who are genuinely interested in the purposes of the Corporation.
5. Honorary. Upon a vote of two-thirds of the Board of Directors, subject to ratification by a simple majority vote of the membership attending any general or special membership meeting. Honorary Membership may be conferred on an outstanding and distinguished individual. All Honorary members shall be entitled to all the privileges of membership
6. Sustaining. An individual, partnership, corporation or other legal entity that provides financial support and/or significant guidance and assistance to the Corporation.
7. Other. Such other membership categories as deemed appropriate by the Board of Directors of the Corporation from time to time.

B. Voting Rights-Membership. Unless specifically stated otherwise each member in good standing of the Corporation shall be entitled to one vote at all membership meetings, such vote can be cast in person or by proxy. Memberships

comprising more than one individual shall designate one voting member to cast its vote. Except for elections, votes shall be cast orally or visually unless a majority of members present and eligible to vote shall determine the vote shall be in writing. All elections shall be conducted by secret ballot. Ant written vote may be accomplished through electronic means.

C. Proxies. All proxies must be in writing in an official format approved by the Board, signed by a member, and be received by the designated election official (which shall be the Secretary unless otherwise provided by the Board) prior to the day of the meeting. Each proxy must state the specific issue for which the proxy is granted, and clearly designate how, the member wishes his proxy to be voted on the issue. The Board shall designate the person who shall vote the proxy, and it shall be voted by that person in the manner specified by the member. The Board shall make proxy forms available with the notice of the meeting. A proxy received by facsimile, e-mail or other written communication may be accepted if the election official is satisfied it is genuine. Proxies shall be limited to one meeting only, and shall automatically expire at the end of the meeting. Proxies may be offered using the process explained above for general membership meetings, Board elections, Board of Directors meetings, and committee meetings.

D. Qualification for Membership -Determination. An application for membership or renewal of membership shall contain such information, as the Board may desire. The Board of Directors may review any membership application or renewal of membership for compliance with the requirements of membership and upon a simple majority vote, may deny an application or renewal or change the applicant's membership category. Any decision of the Board in such a matter shall be final. The procedure and standards for the Board's review shall be as provided by these bylaws.

E. Member Consent and Notice. Every person becoming a member in this Corporation shall be deemed to assent to these bylaws. The address maintained by the Corporation for each member shall be the address to which notices are sent. Members may change that address by notifying the Corporation in writing of the change. Members may also call or write to verify that the address used by the Corporation is current. Notices mailed by ordinary or electronic mail to the address on the Corporation's records shall be deemed to have been properly served upon the member. Any person without a current recorded address or registered email addressson file with the Corporation shall be deemed to have waived any and all notices.

F. Authority of Members. No member or group of members shall take any action on behalf of the Corporation, or in the name of the Corporation, except as duly authorized in a manner in conformity with and pursuant to statute and these Bylaws. Any action taken contrary to the provisions hereof shall be deemed to be void, ultra vires and not binding on the Corporation, and shall not be construed to be the official action or acts of this Corporation.

G. Denial/Termination of membership.

1. Any application for or renewal of membership, and any existing member, may be denied membership or have membership terminated for cause. The Board of Directors by majority vote shall determine if cause exists. Cause exists when a member is no longer eligible for membership, fails to timely pay all dues and assessments, willfully or unnecessarily violates the Corporation's Principles of Conduct and Professional Ethics,

engages in conduct which is illegal or contrary to the bylaws and policies of the Corporation, or otherwise endangers the welfare of the Corporation.

2. A member or applicant for membership shall be provided in writing the reasons for the proposal to deny, terminate or refuse to renew his or her membership, and, except when the reason is non-payment of dues or assessments which results in termination automatically, shall be provided an opportunity to appear before the Board to answer the allegations. The Board may investigate the allegations to the extent the Board determines necessary, and require persons to appear before the Board to provide information and documents under oath.

#### H. Principles of Conduct and Professional Ethics.

Member Responsibilities. Each member, as a condition of membership, agrees that they and/or all individuals in the organization they represent will read and abide by the Principles of Conduct and Professional Ethics. Violations of the Principles of Conduct and Professional Ethics shall be handled in accordance with the Procedures and Policies for Ethics Violations, which may be approved or amended by the Board from time to time. The Corporation is, however, in no way responsible for ensuring that members adhere to the Principles of Conduct and Professional Ethics.

#### SECTION 5. DUES AND ASSESSMENTS

A. Dues. All dues for each fiscal year of the Corporation as well as policies regarding pro-ration of dues shall be established by the Board of Directors from time to time.

B. Special Assessment. The Board of Directors may recommend a special assessment to the membership from time to time if; in the opinion of the Board a special assessment is deemed necessary and prudent. Detailed notice of the recommendation shall be given to the membership at least 30 days prior to a membership meeting. Special assessments, must be approved by a simple majority vote of the membership present.

C. Payment. All dues and assessments are payable immediately upon notification of the due date. Members in arrears for more than 90 days are automatically dropped from the membership rolls until their dues and assessments are paid in full, unless otherwise provided by the Board in a particular case. Members dropped may be reinstated, subject to these bylaws, upon payment of the current dues and assessments and any amounts past due.

#### SECTION 6. SUSPENSION AND EXPULSION

A. Authority to suspend or expel. The Board has the authority to suspend or expel from membership any individual or organization for engaging in conduct detrimental to the objectives or interests of the Corporation, or violating the Articles and Bylaws of the Corporation.

B. Procedure. The Board may send written notice to the member of the situation and request the member to provide an explanation of the matter and give reasons why the Board should not terminate the membership or take disciplinary action. If no response is given within 30 days, or the response given is not adequate to excuse the allegations, the Board may schedule a hearing on the matter. At least fifteen days advance notification of the hearing date, time and place shall be given to the said member. At the hearing, the charges against the member shall

be presented and the member shall have reasonable opportunity to respond. After receiving the information presented, the Board in its discretion may by a majority vote of members present request the offending member's resignation. Should the member decline to resign, the member's name shall be stricken from the membership rolls forthwith

#### SECTION 7. MEMBERSHIP MEETINGS

A. Annual Meetings. There shall be an annual meeting of the Corporation during the month of February each year, unless otherwise ordered by the Board of Directors, at a place designated by the Board, for election of Directors, receiving reports, and the transaction of other business. Meetings shall be open to all members who are current in their dues and assessments. Official notice of the place, day and hour of such meetings shall be mailed to the last recorded address or registered email address of each member at least 10 days but no more than 50 days before the time appointed for the meeting.

B. Quorum. The members of this Corporation present at any regular or special meeting held with due notice shall constitute a quorum.

C. Rules of Order. The usual parliamentary rules as laid down in the latest version of Robert's Rules of Order shall govern, when not in conflict with the Bylaws of the Corporation.

D. Special Membership Meetings. Special membership meetings of the Corporation may be called at any time by the President, and must be called by the President, or in his/her absence by the Vice-President or Secretary, on the written request of a majority of the Board of Directors. At least 10 days but not more than 50 days notice of any special meeting must be given to the members of the association, and the notice must state the purpose of the meeting.

E. Actions taken without a meeting. Whenever the Board determines it is necessary to take a membership vote on any matter between meetings of the members, the Board may cause to be sent to each member at the address of record, by first class mail, facsimile, email or other written or electronic transmission, or otherwise provide electronic access to, copies of the questions to be voted upon and a ballot. If at least fifty (50%) percent of the members vote by returning the ballot by first class mail, facsimile, email or other electronic transmission, the proposition shall be decided by the majority of the members voting and shall be effective upon certification by the Secretary of the votes cast. For purposes of the vote by mail, the polls shall remain open from the date of mailing or providing electronic access and for thirty (30) days thereafter.

#### SECTION 8. BOARD OF DIRECTORS

A. Membership of the Board of Directors.

Membership of The Board of Directors shall consist of at least nine(9)members.

B. Duties. The Board of Directors shall establish policy, supervise, control, and direct the affairs of the Corporation. The Board shall implement policies and decisions adopted by the membership, shall actively pursue the Corporation's objectives, and shall control the disbursement of funds. It may adopt such rules for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, appoint committees or agents to perform specific tasks.

C. Meetings.

1. The Board of Directors shall have a regular meeting at the time and place of the annual meeting of the membership, and shall report to the membership on its activities. It shall meet at the call of the President, or in his/her absence, by the Vice-President or Secretary at the written request of the majority of the Board, and at such other times as may be set by the Board. Notice of the meetings of the Board may be given in any reasonable manner determined by the Board members calling the meeting. Notice given 72 hours in advance of the meeting in person or by facsimile, email, or other electronic transmission or telephone shall be deemed reasonable. The Board may adopt a policy for notices. In the event of an emergency, shorter notice may be reasonable.

2. Meetings may be conducted by or through the use of any means of communication if all participating Directors may simultaneously hear each other during the meeting (such as a conference call), or communication during the meeting is immediately transmitted to each participating Director and each participating Director is able to immediately send messages to all other participating Directors (such as by facsimile or e-mail). Meetings conducted by either method shall include notifying each participating Director that an official meeting is taking place, and verifying the identity of the persons participating by their acknowledgment by voice or written transmission of their name and presence before the vote.

D. Quorum. A quorum for meetings of the Board and all Committees shall be a majority of the voting members.

E. Committees. The Board of Directors may establish and terminate committees from time to time. Each committee shall have a chairman, appointed by the President of the Board, who shall be responsible to the Board for directing and coordinating the affairs of the committee. The committee chairman subject to the approval of the Board of Directors shall select members of these committees. Committee membership will be reviewed and appointed annually. Vacancies that occur on any committee by reason of resignation, death, or otherwise may be filled by the remaining members of the committee for the unexpired term, subject to the approval of the Board. Each committee's terms of reference shall be approved by the Board of Directors.

F. Minutes. Minutes of the meetings of the Board of Directors and committees of the Board shall be kept on file at the office of the Corporation and may be inspected by any voting member of the Corporation. The minutes of the meetings of the Board of Directors may be published immediately following each meeting. The published minutes shall not include matters regarding personnel issues, legal matters or matters deemed proprietary by the Board of Directors.

SECTION 9. ELECTION-TERMS OF OFFICE

A. Elections: Directors shall be elected at the annual meeting of the Corporation. All voting members in good standing shall be eligible to be elected to the Board of Directors. Three (3) Directors shall be elected annually unless vacancies are to be filled. The Nominating Committee shall determine the number and designation, if any, of the terms expiring.

## B. Nominations

1. Nominating Committee: The purpose of the nominating committee shall be to seek, evaluate and recommend a slate of qualified director candidates to the voting membership for the annual election of Directors. A nominating committee shall be comprised of a minimum of three (3) members and shall be established annually. It shall be chaired by a member of the Board not eligible for re-election, and shall include a former Director of the Corporation, and an at-large member.

2. Candidates Eligibility: Prospective candidates must be members in good standing in the Corporation, or the designated voting representative for an organization, which is a member in good standing. Candidates may appear on the ballot by majority vote of the Nominating Committee or by petition. Any voting member in good standing or designated voting representative for an organization which is a member in good standing, may place his/her name on the ballot by submitting a petition to the Nominating Committee, signed by four (4) voting members of the Corporation at least forty five (45) days prior to the annual meeting.

3. Candidate Information: Each candidate shall submit to the Nominating Committee a brief resume to be included in each convention packet or program. The committee shall present, with their recommendations, the slate of qualified candidates to the annual meeting and allow each candidate to address the voting members.

4. Elections: The Nominating Committee shall prepare a ballot containing the names of all qualified candidates and distribute it with proxy by mail, to all voting members and/or the voting members present at the annual meeting. The Nominating Committee may indicate its recommendations on the ballot, provided the names of all qualified candidates appear and are printed in the same typeface and type-size.

C. Procedure for determining election. The Directors receiving the greatest number of votes shall be elected.

D. Terms of Office. Each Director shall be elected to a three (3) year term, unless filling a vacancy or during a transitional period. No Director may serve more than two (2) full consecutive terms on the Board of Directors.

E. Vacant Office, Unexpired Term. In the event any Director or Officer is unwilling, unable or ineligible to serve or complete his/her term of office, for any reason, leaving an unexpired term of office, the Board of Directors may, by Board resolution, appoint a successor to serve until the next general membership meeting or the expiration of the original term of office, whichever shall come first. If any portion of the term of said office remains at the time of general membership meeting, a general election shall be held for the purpose of filling the remaining unexpired portion of said term of office only. The position shall be filled by the individual having the greatest number of votes after all three (3) year Board positions have been filled.

## SECTION 10. OFFICERS

A. Officers -The officers of the Corporation shall be President, Vice-President, Secretary and Treasurer.

B. Elected Officers -The elected officers of the Corporation shall be a President, Vice-President, Secretary and Treasurer. All offices must be occupied

by members elected to the Board of Directors by the membership at the Annual Meeting and shall serve until their successors have been duly elected and assume office. Such offices shall be determined in an election to be held by the members of the Board of Directors immediately following the annual election of Directors at the Annual Meeting of the Corporation.

C. Qualifications for Elected Office -Any Director elected at the Annual Meeting of the Corporation who is a member in good standing shall be eligible for election by the Board to an elective office of the Corporation, except the candidates for the positions of President and Vice-President shall have served at least one (1) year as a member of the Board of Directors at any time prior to the elective term of office.

D. Terms of Office -Each elected officer shall take office immediately and shall serve for a term of one (1) year or until a successor is duly elected. No individual may serve more than four (4) consecutive years in the same elected office.

E. Vacancies-Removal-Vacancies in any elective office may be filled for the balance of the term thereof by the Board of Directors. The Board of Directors, by two-thirds vote of all its members, may remove any officer from office for cause.

#### F. Duties of Elected Officers

1. President -The President of the Board shall be the chief elected officer of the Corporation. The President shall also serve as an ex-officio member of all committees except the Nominating Committee and shall make all required appointments of standing and special committee chairmen. The President shall communicate to the members such matters and make suggestions as may tend to promote the welfare and increase the usefulness of the Corporation. The President shall perform such other duties as are necessarily incidental to the office of President or as may be prescribed by the Board of Directors. The President shall preside at all meetings of the Board of Directors, the Executive Committee and at the Annual Meeting of the Corporation.

2. Vice-President -The Vice-President of the Board shall be responsible for such duties as are assigned by the President of the Board and shall perform all duties of the President of the Board during the absence of the President.

3. Treasurer -The Treasurer shall oversee: the funds and financial records of the Corporation; the collections of members' dues and/or assessments; the establishment of proper accounting procedures for the handling of the funds of the Corporation; further, shall see that a report on the financial condition of the Corporation is made at all meetings of the Board of Directors, the Annual Business Meeting and at all other times as called upon by the President of the Board. The Treasurer shall ensure that all related financial regulatory filings are submitted on a timely basis.

4. Secretary -The Secretary shall oversee the proper recording of proceedings of meetings of the Corporation and the Board of Directors, and shall ensure that accurate records are kept of all members.

5. Contracts signed by officers. Any officer of the Corporation may enter into contracts on behalf of the Corporation provided such contracts are in accordance with the policies established by the Board of Directors from time to time, and

such contracts have the majority approval of the Board of Directors or the Board of Directors, or are contracts necessary for the prudent management of the business affairs of the Corporation and are in accordance with an approved budget.

#### SECTION 11. LIABILITIES AND INDEMNIFICATION

A. General Non-liability. Nothing herein shall constitute members of the Corporation as partners for any purpose. No member, officer, agent or employee shall be liable for the acts or failure to act of any other member, officer, agent or employee of the Corporation, or for the obligations of the Corporation itself.

B. Protection of Volunteers, Directors and Officers. A volunteer, director and/or officer shall not be personally liable to the Corporation, its members or creditors or to any person for damages, settlements, fees, fines, penalties or other monetary liabilities arising from any act or omission as a volunteer, or a breach of or failure to perform any duty resulting solely from his or her status as a Director or officer, except as otherwise provided by statute.

C. Indemnification.

1. The Corporation shall indemnify any covered person who is or was a party or is threatened to be made a party to any covered proceeding to the extent permitted by law and within the provisions of this Article, or as may be required by law if greater than permitted under this bylaw.

2. Persons covered by this indemnification provisions are Directors, officers, employees or agents of the Corporation, or persons who are or were serving at the request of the Corporation as a director, officer, partner, trustee, member of any governing or decision-making committee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, if:

a.

The person's act or failure to act was in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Corporation or its members,

b.

With respect to any criminal action or proceeding, the person had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe the conduct was unlawful,

c.

The transaction is not one from which the person derived an improper personal profit,

d.

In a matter in which the person had a material conflict of interest the person did not engage in a willful failure to deal fairly with the Corporation or its members, and

e.

The person did not engage in willful misconduct.

3. The proceedings covered by this section are any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, if the proceeding involves the person due to the person's relationship with the Corporation.

4. The coverage under this section includes indemnification against liability, expenses (including attorney's fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred in connection with such action, suit or proceedings. In the event insurance coverage is available to protect the person, this indemnification shall only be for amounts in excess of the amounts covered by such insurance.

5. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere, shall not, of itself, create a presumption that the person is not covered. Such facts may be considered, however, in making that determination.

6. No indemnification shall be made if the person was adjudged to be liable for criminal and/or willful misconduct in the performance of an important and material duty to the Corporation, unless the court determining such liability determines that, despite the adjudication of liability, under the circumstances the person is fairly and reasonably entitled to indemnity for such expenses which the court shall determine proper.

7. Expenses incurred may be paid by the Corporation in advance of the final disposition of the proceeding when approved as required by law and upon receipt of an undertaking by or on behalf of the person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the Corporation.

8. Except as provided in 6. above, the right of a person to indemnification shall be determined by the Board of Directors under a procedure it shall adopt for the particular determination. The Board may adopt any of the methods which are provided by statute for use by an officer or Director.

#### SECTION 12. FUNDS

A. Finances. The Corporation shall be operated as a non-profit organization, and shall use its funds only for objects and purposes specified in the Articles of Incorporation and in these bylaws.

B. Bonding. Persons entrusted with the handling of Corporation funds may be required at the direction of the Board of Directors to furnish at Corporate expense a suitable fidelity bond.

#### SECTION 15. INSIGNIA

A. Intangible Property Rights. The Board of Directors may adopt such insignia, copyrights, trade names, trademarks, service marks, colors, badges and flags (collectively referred to in these bylaws as "marks") for the Corporation, as it deems desirable.

B. Board Authority. The use of the Corporation's name and all marks shall be under the exclusive control of the Board of Directors. The Board may permit members and others to use the name and marks, on such terms and conditions as the Board deems appropriate. Any authorization by the Board to any other person or member to use the Corporation's name or marks may be revoked at any time.

C. Member Acknowledgment. Each member recognizes that the use of the Corporation's name and marks constitutes a valuable property right and agrees to refrain from any use that is not authorized by the Board by its policies or specific approval, and further agrees not to attempt to use or knowingly permit the use of the name and marks by any person or entity whose use is not

authorized by the Board. Any unauthorized use shall be brought to the attention of the Board promptly. Each member agrees to cease use of any materials, signs, or equipment bearing the Corporation's name or marks at any time when the member is no longer eligible to use them.

D. Liability of Corporation. The Corporation is not liable for any use or misuse of the insignia by members or nonmembers.

#### SECTION 16. DISSOLUTION

The Corporation may be dissolved by the vote of a two-thirds (2/3) majority of its voting members present in person or by proxy. In the event that this Corporation should be dissolved or should cease to operate, then all of the assets of this Corporation, after payment or provision for payment of all debts and liabilities, shall be distributed pursuant to direction of the Board of Directors to a non-profit organization organized as such under the laws of appropriate jurisdiction and qualified under the Federal Internal Revenue Code as either a Section 501 (c) (3) or a 501 (c) (6) organization or a duly authorized tax exempt organization in a foreign jurisdiction.

#### SECTION 17. AMENDMENTS

A.

These bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the voting membership at any duly organized meeting of the Corporation. Members who propose a bylaw amendment(s) must inform the Secretary in writing of their proposed amendment at least 70 days prior to the meeting at which the vote is desired. Each amendment request must contain the signature of the member and a supporting signature of a second voting member of the Corporation. The Board shall indicate its position on any amendment proposed to the membership. The Board may also submit proposals to amend the bylaws. Notice of all amendments, whether proposed by a member or by the Board, shall be included in a notice of the meeting. Proxies shall be distributed to all voting members of the Corporation and include an opportunity to vote on the proposed amendment(s).

B.

Limitations. No amendment, repeal or alteration shall be made that would cause the bylaws of the Corporation to be inconsistent or in conflict with the bylaws and articles of incorporation of the International Council of Air Shows (ICAS).

#### SECTION 18. RETROACTIVE RATIFICATION OF BOARD OF DIRECTORS' ACTIONS

Adoption of these bylaws by the membership of the Corporation shall automatically and expressly ratify all prior actions taken on behalf of the Corporation by vote of the Board at any prior Board of Directors meeting.

#### SECTION 19. NON-DISCRIMINATION

The Corporation accepts individuals of any race, sex, national and ethnic origins for all the rights, privileges, obligations and activities generally accorded or made available to individuals in the various programs, and shall not discriminate in the administration of its policies.

SECTION 20. DISPUTE RESOLUTION

Any dispute which might arise between and among the Corporation, its members, and Directors relating to the management of the Corporation and the application of these bylaws if not settled by negotiation shall be settled by arbitration in accordance with the rules of the American Arbitration Association or Canadian Arbitration Act, as applicable then in effect.

CERTIFICATION

The undersigned hereby certifies that the above bylaws are a true and complete copy of the current bylaws of the North East Council of Air Shows, Incorporated, as of this date.

Date

Corporate Secretary