

AIRCRAFT FLEET RECYCLING ASSOCIATION BYLAWS

ARTICLE I NAME, PURPOSE, AND OFFICES

SECTION 1. Name. This corporation shall be known as the Aircraft Fleet Recycling Association [hereinafter called the Association]. The Association is incorporated in the District of Columbia.

SECTION 2. Purpose. The purposes of this organization shall be to support and promote the common business interests of aerospace industry companies that are involved in the efficient and environmentally sound handling of the world's aging aircraft. The goals of this Association are:

- To promote the highest standards of ethics, reputation, and integrity within the industry;
- To assist the industry in compliance with all applicable laws and regulations;
- To promote industry practices that help enhance the safety and environmental stewardship of their operations, to the extent feasible and appropriate;
- To promote a strong investment in improved operations among its membership;
- To develop and publish "best practices" designed to increase safety and environmental compliance;
- To support industry initiatives which enhance safety in the reclamation of aircraft parts;
- To work with governments that are investigating enactment of laws and regulations governing the aircraft fleet recycling, and to promote reliance on industry standards where such standards are sufficient to meet safety and environmental goals;
- To promote closer relations with and cordial cooperation among the members and other industry associations and government entities globally;
- To promote aviation safety in general; and,
- To provide education and training to the industry.

Within the legal confines of its not-for-profit status, the Association may do anything necessary, suitable, or proper for the accomplishment, attainment or furtherance of any of this purpose.

SECTION 3. Office. The office of the Association shall be in the greater Washington, DC area.

SECTION 4. Other Offices. The Association may also have an office or offices at any such place or places either within or outside of the District of Columbia, as the Board of Directors may from time to time determine.

SECTION 5. The period of duration of this Association is perpetual.

SECTION 6. AFRA is an independent entity that does not endorse specific technologies or companies. Members of AFRA shall be solely and individually responsible for their own actions. AFRA intends that no member shall seek recourse or indemnity from any other in any claim brought against it by any third party solely by virtue of the other's membership in AFRA.

SECTION 7. AFRA accepts no responsibility or liability for the activities of its members or of any other legal entity. All work, research, and trials will be done by the members using their own facilities, funds and personnel. Nothing in these Bylaws or in any standards or other documents the AFRA may create is intended to constitute the Association members as partners or participants in any joint venture under any laws or regulations applicable to the AFRA or any of its members.

ARTICLE II MEMBERSHIP

SECTION 1. Classes of Membership. There shall be three classes of Association membership: Regular Member, Research Member, and Airline Member.

SECTION 2. Regular Membership: General. Any person, firm, or corporation applying for membership in the Association may be eligible for regular membership in the Association, provided that the applicant adheres to such membership requirements as may be established by the Association, including but not limited to the payment of dues.

SECTION 3. Regular Membership: Application. To apply for membership in AFRA, the applicant must complete in English the current version of the Membership Application that is located on the AFRA website at the time of application and present it to the Association.

SECTION 4. Regular Membership: Qualifications. The criteria for membership in AFRA are:

- a) The member must concur with the goals and objectives of AFRA as defined in the AFRA Articles of Incorporation and these By-Laws.
- b) The member must pay the initiation fee within 30 days of notification that their application for membership has been accepted.
- c) The member must remain in good standing.

SECTION 5. Regular Membership: Details and Limitations.

- a) Membership and participation in AFRA shall not be construed as an endorsement or recommendation of any specific technology or company by either AFRA or any AFRA member.
- b) Membership in AFRA is open to businesses and organizations in the following business segments:
 1. Companies and persons that remove parts and assemblies from end-of-service aircraft
 2. Companies and persons that recycle metals and other materials that are recovered from end-of-service aircraft, from aircraft maintenance, or from aircraft manufacturing
 3. Aircraft storage facilities actively engaged in monitoring and maintaining the condition of aircraft
 4. Aircraft original equipment manufacturers (OEMs), aircraft owners, aircraft operators, aircraft maintenance and alteration facilities, and aircraft parts purchasers
- c) Members will notify the Association when they desire to change the name of the individual representative designated to vote on behalf of the Member. This representative can be changed at any time online or by written notification to the Association.
- d) No single individual may represent more than one AFRA member at a single point in time.
- e) It is the responsibility of the individual designated as the AFRA member's voting representative to ensure that the Executive Director and all members of the Board of Directors have current contact information for the representative.
- f) AFRA exercises no control over the activities of its members outside of the specific AFRA Governance as defined in the AFRA Articles of Incorporation and these By-Laws.

SECTION 6. Regular Membership: Privileges.

- a) Regular members in good standing shall have the right to participate in the activities of the Association.
- b) Subject to the Bylaws related to the Board of Directors, a member in good standing is eligible to be nominated for the Board of Directors, and if elected, to serve on the Board of Directors.
- c) The members shall nominate and elect a Board of Directors. Each member in good standing shall be entitled to one vote for each vacant Board of Directors position and one vote for each issue put forth to the membership for a vote.

SECTION 7. Research Membership. The Board intends that researchers and departments of universities focused on improving aircraft recyclability and sustainability be able to contribute to AFRA's initiatives with minimal cost to the member. As such, the Board retains the authority to waive or reduce joining fees, dues and other fees for such members whose primary reason for joining AFRA is because of their research focus, at the discretion of the Board. The intent is that the Board shall have the discretion to benefit research members whose focus is improving aircraft recyclability and sustainability, but it is not the intention that this subsidy be provided to for-profit companies that enter into research to support their business activities.

SECTION 8. Airline Membership. Airline Membership is available to airlines, as defined as any air transport enterprise offering or operating an air service.

SECTION 9. Membership in Good Standing. A "member in good standing," as of any date, means that the member

- 1) has paid initiation fees as directed by these Bylaws, and
- 2) the member has paid all dues invoices issued more than 90 days prior to the date, and
- 3) is currently in compliance with the other requirements of the bylaws.

SECTION 10. AFRA Logo. Membership does not automatically confer the right to use the AFRA logo. A license agreement must be signed and accepted by AFRA before our logo can be used for any application. This agreement is revocable at the discretion of AFRA.

ARTICLE III DUES

SECTION 1. Dues are payable annually, and shall be remitted to AFRA Headquarters.

SECTION 2. In addition to annual dues, new members shall pay a \$2,000 one-time, non-refundable, initiation fee. This fee shall be submitted to AFRA Headquarters.

SECTION 3. Dues shall be set by the Board of Directors on an annual basis. At the time of the publication of these bylaws, membership dues were set based upon the number of total employees that are involved with or support the company's business activities that are related to AFRA's purposes.

SECTION 4. The Board of Directors may adjust dues. Such changes may be accomplished by a Board resolution and do not require a change to these bylaws. Changes in dues shall go into effect after 30 days notice to the Members. For the purpose of setting dues, the Association's determination of a company's size and/or dues level shall be final.

ARTICLE IV ANNUAL OPERATING BUDGET

SECTION 1. The Treasurer shall submit, no later than the end of the first fiscal quarter of the year being budgeted, an annual operating budget to the Board of Directors for approval.

ARTICLE V OFFICERS

SECTION 1. The officers of the Association shall include a President, Vice President, a Secretary, a Treasurer, and such other officers as the Board of Directors may elect.

SECTION 2. The officers of the Association shall be elected by the incoming (newly elected and returning) Board of Directors. Elections shall take place annually at the first meeting of the Board of Directors to occur in the calendar year. Subject to election by the Board, one board member may hold multiple officer positions.

SECTION 3. The **Executive Director** has day-to-day AFRA operational responsibility. The Executive Director shall preside at all meetings of the Board or of the membership.

SECTION 4. The **President** shall be a member of the Board of Directors, and shall be elected by the Board to a 1-year term, which may be renewed.

SECTION 5. The **Vice President** shall be a member of the Board of Directors, and shall be elected by the Board to a 1-year term, which may be renewed. The Vice President shall assume the responsibilities of the President in the absence of the President.

SECTION 6. The **Secretary** shall be a member of the Board of Directors, and shall be elected by the Board to a 1-year term, which may be renewed. The Secretary shall maintain minutes of each meeting of the Board and of the Association, and shall keep custody of the minutes and other corporate documents. Staff can assume this responsibility on behalf of the Secretary.

SECTION 7. The **Treasurer** shall be a member of the Board of Directors, and shall be elected by the Board to a 1-year term, which may be renewed. The Treasurer shall cause to be kept, full and accurate accounts of the receipts and disbursements of the Association, and shall render to the Board of Directors at any regular meeting whenever so requested to do so, an account of the transactions and of the financial condition of the Association.

ARTICLE VI MEETINGS OF THE MEMBERS

SECTION 1. A meeting for all members shall be held at least once a year at a time and place determined by the Board of Directors.

SECTION 2. Notice of the membership meeting shall be published in a format designed to reach the members. It shall be acceptable to publish notice of the membership meeting in an Association's newsletter, by email, or by other method that allows for the information to reach the representative of each member.

SECTION 3. Election of Directors may take place at a time other than the membership meeting, at the discretion of the Board of Directors, so long as the election is conducted in a manner permitted by these Bylaws.

SECTION 4. Ten percent or more of the members in good standing or ten members in good standing shall constitute a quorum at any membership meeting. In the event that the membership shall be less than ten members, a quorum of the membership shall be 100% of the members in good standing.

ARTICLE VII

THE BOARD OF DIRECTORS

SECTION 1. Eligibility Requirements: In the interest of ensuring AFRA independence from geographic or corporate bias, Board eligibility is restricted so that no more than 50% of the Board members can come from any one country, and no two Board members can be affiliated with businesses where either has a controlling interest in the other (i.e., partnership, ownership, shared investment, etc.). The demographics of each newly elected member of the Board of Directors must be considered in the eligibility determination of subsequent candidates (e.g., in the course of a ballot for multiple openings, the demographics of a newly elected candidate may make ensuing candidates on the same ballot ineligible). Any part of a term constitutes a full term. Determination of eligibility of a Board nominee shall be the responsibility of the President and shall be based on the demographics of the sitting Board. No candidate's eligibility shall be judged based on the possibility that another nominee will be elected in the future.

SECTION 2. Nomination: The Executive Director shall call for nominations for members representatives interested in running for the Board of Directors.

SECTION 3. Election: When there is a Board vacancy, the Executive Director shall call for a vote of the membership before each annual meeting. The Association will distribute to each member a ballot that lists all of the nominees, in alphabetical order by surname, as a single, multiple-choice question. Members will be allowed to vote for as many names on the list as there are open Board seats. A ballot choosing too many names from the list will be disqualified.

SECTION 4. Election Results Processing: The candidate with the most votes (no minimum percentage requirements) fills the first open Board position. After an open Board position is filled, the eligibility requirements for the remaining vacant seats shall be re-assessed and the candidate with the next highest vote tally (if still eligible) fills the first remaining open Board position. This cycle repeats itself until all of the vacant Board positions are filled. In the case of a tie, the reelection process will be held to take a vote from the membership to make a determination between the positions for which there is a tie.

SECTION 5. Directors shall be elected for three-year terms not to exceed two consecutive terms in office.

SECTION 6. Each Director must be an employee, officer, director, or owner of a company that is a regular member in good standing of the Association. In the event a Director resigns or otherwise leaves employment or affiliation with the member company, the Director shall forfeit his or her position as Director. This shall be true even if the Director immediately obtains employment or affiliation with another member company. In the event the member company allows its membership to lapse, the Director shall forfeit his or her position as Director.

SECTION 7. In the event of a vacancy on the Board of Directors, the Board shall appoint a replacement Director to complete the unexpired remainder of the term, to fill the vacancy.

SECTION 8. The Board of Directors shall meet on a regular basis, to be determined by the Board of Directors. These meetings may take place telephonically or using other similar technology that permits the directors to communicate. These meetings shall be considered regular meetings of the Board of Directors.

SECTION 9. The President may call a special meeting of the Board of Directors, subject to the discretion of the President.

SECTION 10. A majority of the Board of Directors shall constitute a quorum at any regular or special meeting of the Board. The Board shall act by the decision of a majority of the Directors present and voting.

SECTION 11. Directors shall serve without compensation.

SECTION 12. The Board may establish such committees of the Board as it may deem appropriate. Committees shall have the power to make recommendations but shall not have the power to pass resolutions on behalf of the Association. Committees shall meet as required and shall report on all committee activities to Board's liaison to each Committee.

SECTION 13. The Board of Directors shall have nine elected members elected annually as vacancies occur.

SECTION 14. Appointed Directors. The Board may create up to four Board-appointed Director positions, to be filled at the discretion of the Board; such Directors shall be known as Appointed Directors. Appointed Directors shall serve for a period of 1 year, and are in addition to the membership-elected Directors. Appointed Directors would be subject to the same eligibility requirements, rights and limitations as other Directors. An Appointed Director can be appointed for consecutive terms of one year, with a total consecutive term on the Board of Directors not to exceed six years.

ARTICLE VIII RESIGNATION OR EXPULSION OF MEMBERS

SECTION 1. Membership in AFRA is continuous until a member notifies the President in writing of intent to withdraw, or until actions by the member are in violation of the AFRA membership criteria.

SECTION 2. Any member may withdraw from the Association subject to a six months notice sent by registered letter to the Association's Registered Office. The notice period will be reduced to 30 days following the announcement by the board of an increase in dues. It shall remain liable to pay its share of costs incurred by the Association within the Association's financial year in which such notice shall expire.

SECTION 3. The President shall have the authority to suspend or expel any member for non-payment of dues or other failure to meet Association membership requirements. Association membership requirements may be found in Article III of these bylaws.

ARTICLE IX INTERPRETATION AND AMENDMENT OF BYLAWS

SECTION 1. The decision of the Board of Directors shall be final upon all questions of construction and interpretation of these Bylaws.

SECTION 2. These Bylaws may be amended by a majority vote of the Directors present at a regular or special meeting of the Board of Directors.

ARTICLE X FINANCIAL STANDARDS

SECTION 1. Association May Handle Funds. The Association will handle funds out of its own account for the administration of the organization.

SECTION 2. Responsibility for Member Expenses. Members shall be responsible for their own expenses to attend and participate in meetings. Further, Directors shall not be entitled to compensation or reimbursement of expenses.

SECTION 3. Expenses and Reports. From time to time, certain administrative expenses may be incurred by the

organization. The Board of Directors may authorize the Executive Director to issue checks or make other payment of money on behalf of the organization. The Treasurer shall present a financial report at each meeting of the Board of Directors.

SECTION 4. Special Projects. Special projects can be proposed through the Executive Director and adopted by AFRA with approval of the Board of Directors. Such projects shall be approved with an accompanying financial plan that is agreeable to members participating in the special project.

SECTION 5. Schedule of Payments. The following is the schedule of payments:

- a) Once the Treasurer submits an invoice to a new or existing member that member will have 30 days from the date of distribution of the invoice to submit their required fees and dues (or have agreement established with the AFRA Treasurer for when those fees and dues will be received), after which their membership in AFRA will be considered not in good standing.
- b) A company that is not in good standing will be prohibited from voting on any AFRA General Membership or Board of Directors questions. A member who makes full payment of dues and fees any time prior to a vote being called will be allowed to cast a ballot.