

AVIATION INSURANCE ASSOCIATION BYLAWS
(revised April 18, 2011)

Article I-Name

The name of this association shall be the Aviation Insurance Association.

Article II-Purpose

The purpose of this Association is to promote the general welfare of the aviation insurance industry, to present and discuss educational topics germane to the aviation insurance industry, to create and maintain an organization of an informal character composed of persons and organizations in the aviation insurance industry, to provide formalized education and other programs for its members, and to create a forum for the discussion and expression of individual opinions concerning matters of interest to the aviation insurance industry.

Article III-Membership

Section 1. Divisions

This Association has designated six (6) aviation insurance professional interest groups for its members, to be known as Divisions and named: Underwriters, Agents/Brokers, International, Reinsurance, Claims, and Attorneys. Each Member of this Association may belong to one of these Divisions, and may freely change participation from one Division to another in accordance with his or her professional or business interests. The Board of Directors may change the name, number or character of the Divisions from time to time in its discretion.

Section 2. Corporate Membership

Any organization or firm directly engaged in the aviation insurance business may become a Corporate member of this Association. Such organizations and firms are those that can be categorized into one of the six (6) aviation insurance professional interest groups of the Association (Underwriters, Agents/Brokers, International, Reinsurance, Claims, and Attorneys). Corporate membership shall be held in the name of the firm or organization. The firm or organization shall designate one of its officers or employees to exercise the rights of Active Professional membership provided for herein.

Section 3. Individual Membership

Any person with an interest in the aviation insurance business, but not as an officer or employee of an Associate member as described in Article III, Section 3, may become an individual member of this Association, whether or not his or her employer is a corporate member of this Association. Individual membership shall be held in the name of the person.

Individual members will be categorized as one of three (3) types: Active Professional - working directly in the aviation insurance industry for a firm or organization that would be categorized into one of the six (6) aviation insurance professional interest groups as described in Article III, Section 1; Affiliate - retired persons, or those with an interest in the industry; Student - actively enrolled full-time in a college or university, and not working directly in the aviation insurance industry.

Section 4. Associate Membership

Any organization or firm engaged in a business related to the aviation insurance business, but not directly engaged in the aviation insurance business (e.g. vendors), may become an Associate member of this Association. Such organizations and firms are those that could not be categorized into one of the six (6) aviation insurance professional interest groups of the Association (Underwriters, Agents/Brokers, International, Reinsurance, Claims, and Attorneys). Associate membership shall be held in the name of the firm or organization. The firm or organization shall designate one of its officers or employees to exercise the rights of membership provided for herein. Individuals acting as officers or employees of Associate member firms or organizations cannot serve on the Board of Directors.

Section 5. Resignation

Any member may withdraw from the Association after fulfilling all obligations to it by giving written notice of such intention to the Association office.

Section 6. Honorary Membership

Upon a two-thirds vote of the Board of Directors, honorary membership may be conferred on an outstanding and distinguished individual. All honorary individual members shall be entitled to all the privileges of membership. Honorary membership shall be good for the lifetime of the member so designated.

Section 7. Removal

Any member may be dropped from membership by a two-thirds vote of the entire Board of Directors. For any cause other than non-payment of dues, a vote for removal shall occur only after the member has been advised of the pending vote, and has been given reasonable opportunity for defense.

Any member removed by vote of the Board shall be re-admitted to the membership only upon a majority vote of the Board of Directors after a waiting period of 12 months.

Section 8. Resolution of Member Disputes

Any issues relating to membership in the association shall be resolved by the Board of Directors.

Article IV-Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the last of December.

Article V-Dues

Section 1. Annual Dues

The Board of Directors may determine, from time to time, the amount of annual dues payable to the Association by Corporate, Individual, and Associate members.

Section 2. Payment of Dues

Annual dues (January-December) shall be payable in advance on the first day of January, or upon election to membership. New members whose application is received before August 1 shall pay the full amount of such annual dues for the current year. New members whose application is received on August 1 or after will pay the full annual dues, and those dues will be applied in full for the following calendar year.

Section 3. Default and Termination of Membership

When any member shall be in default in the payment of dues for a period of three months from the beginning of the calendar year, or period for which such dues become payable, its membership may thereupon be terminated.

Article VI-Meetings of the Members

Section 1. Meetings

A general meeting of members of the Association shall be held annually, at such time and place as the Board of Directors may specify. Written notice of the time and place of the general meeting shall be delivered to each member not less than thirty (30) days before the date of the meetings at such address as appears on the books of the Association.

Section 2. Special Meetings

The Board of Directors may call special meetings of the membership of the Association for any purpose or purposes at any time. Notice for any special meetings shall be given in the same manner as for the general meetings, and shall also state the object of the special meetings. Business transacted at all special meetings shall be confined to the topics stated in the notice.

Section 3. Quorum

The presence of fifteen (15) percent of the full membership of the Association entitled to vote shall be necessary to constitute a quorum for the transaction of business.

Section 4. Voting

Each corporate member shall have one vote, and corporate members shall designate one employee, officer, or other person to represent the corporate member for the transaction of Association business.

Each individual Active Professional member shall have one vote for the transaction of Association business. Affiliate and Student individual members cannot vote.

If the manner of deciding any question is not otherwise provided in the Bylaws, it shall be decided by a majority vote of the members present.

Article VII-Officers and Directors

Section 1. Board of Directors

The property and business of the Association shall be managed by its Board of Directors, which shall consist of the President, Vice President, Secretary, Treasurer (these four Directors are the officers); the Immediate Past President, two At-Large Directors, and one Director each from the following membership Divisions: Underwriters, Agents/Brokers, International, Reinsurance, Claims, and Attorneys. Only persons having "Active Professional" status shall serve on the Board of Directors.

No individual may hold more than one Board position at one time.

Section 2. Terms

Terms for all Board positions shall be two years, except for (i) the Immediate Past President, who shall serve only the first year immediately following his or her term as President; and (ii) the two At-Large Directors, who shall serve one year terms.

Terms for the AIA officers (President, Vice President, Secretary and Treasurer) shall run concurrently, and begin in odd numbered years.

Division Directors shall be elected one year prior to beginning of their actual two-year term. These "Director-Elects," while not actual members of the Board, are encouraged to attend all Board meetings for one year, as an aid in orienting them to the governance of the Association, the Association's programs and activities, and their coming responsibilities. The Board may, from time to time, consider the views of the Director-Elects in its deliberations.

Terms for all Board positions shall begin immediately following election (with the exception of the Director Elect positions described in the previous paragraph).

Section 3. Qualification

Each Director of the Association must have held Active Professional status in the Association for two years immediately preceding their appointment or election to the Board or to a Division Director-Elect position.

Each Director of the Association shall be the designated officer or employee of a Corporate member of the Association, or an Active Professional individual member, regardless of geographic location. No more than two persons employed by the same Corporate member shall serve on the Board of Directors at the same time. No more than one person from the same company can serve as an officer or otherwise on the Executive Committee.

A Director who ceases to be employed directly in the aviation insurance business shall thereupon be disqualified to further hold such office, unless requested by the Board of Directors to continue.

Section 4. Elections

At a Board meeting held at the time of the annual meeting of the members, the Board of Directors shall nominate and elect: (i) for two-year terms by majority vote the President, and Vice President (if their terms are expiring), and the Treasurer or Secretary (if their terms are expiring), and (ii) for one-year terms two Directors-at-Large by a majority vote.

Director-Elects of the six (6) professional Divisions (Underwriters, Agents/Brokers, International, Reinsurance, Claims, and Attorneys) are elected in staggered years at a meeting of each Division's members, by a plurality vote of Division members then present, during the annual meeting of the Association. The Underwriters, Reinsurance and Attorneys Division elections take place in even-numbered years; the Agents/Brokers, International and Claims Division elections take place in odd-numbered years.

The current Vice President, if a candidate for President, shall be elected President unless three-quarters of the Board members present vote otherwise. All candidates for President and Vice President must, at the time of their election, be a current member of the Board, and must have served at least one full two-year term in any Board position.

Section 5. Re-Elections

No member of the Board of Directors who has served two (2) full two-year terms in a given position shall be eligible for re-election to that same position until at least one (1) year shall have elapsed.

Section 6. Compensation

No member of the Board of Directors shall be paid a fee or honorarium for their service on the Board, beyond reimbursement for select expenses as allowed by Board resolution.

Section 7. Vacancies

Any vacancies on the Board of Directors may be filled by a majority vote of the Board of Directors, and the substitute Director shall serve for the remainder of the term of office for which he or she is so elected.

Article VIII-Meetings of the Board Of Directors

Section 1. Meetings

The Board of Directors shall meet at the time of the annual meeting of the members of the Association. An interim face-to-face meeting also shall take place annually. The President may call such other telephone conference-call or face-to-face meetings of the Board as he or she deems necessary, or the Secretary shall, at the request in writing of two members of the Board, issue a call for a meeting of the Board. Fourteen days notice shall be required for such a meeting. Any action required or permitted at any meeting of the Board may be taken without a meeting if written consent thereto is signed by a majority of the Directors and filed with the records of the proceedings of the Board.

Section 2. Quorum

The presence of at least two-thirds (2/3) of the voting Directors shall be necessary to constitute a quorum for the transaction of business. At least three quarters of the members of the Board of Directors shall be necessary to transact business of the Association by way of telephone conference calls, facsimile, and/or electronic mail.

Section 3. Voting

Each Director shall have one vote. If the manner of deciding any question is not otherwise provided in these Bylaws, it shall be decided by a majority vote of the Directors present. Absentee Directors may vote proxy, submitted in writing to the President at least 72 hours prior to any duly called meeting.

Article IX-Duties of Board Officers

Section 1. President

The President shall preside at the meetings of the Association and the Board of Directors, and shall be a member ex officio (with the right to vote) of all committees. The President shall also communicate to the Association or the Board of Directors such matters and make such suggestions as may, in his or her opinion, tend to promote the prosperity and welfare, and

increase the usefulness of, the Association. The President shall perform such other duties as are necessarily incident to the office.

Section 2. Vice President

In the absence of the President, or in the case of the President's inability, from any cause, to act, the Vice President shall perform the duties of the President's office. The Vice President shall perform such other duties as are necessarily incident to the office.

Section 3. Secretary

It shall be the duty of the Secretary to give notice and attend all meetings of the Association and keep a record of his/her doings; to conduct all correspondence; to carry into execution all orders, votes, and resolutions not otherwise committed; and to keep a list of the members of the Association. In case of absence or disability of the Secretary, the Board of Directors may appoint a Secretary pro tem. Minutes shall be finalized and mailed to the Board Members within 30 days of any Board of Directors meeting.

Section 4. Treasurer

The Treasurer, with the assistance of the Executive Director, shall collect fees, annual dues, and all other monies, and provide an account of all monies received and expended for the use of the Association. The Treasurer, with the assistance of the Executive Director, shall deposit all sums received in a bank, or banks or trust company approved by the Board of Directors.

Current signature requirements for Association checks and other expenditures are provided in the Board approved "Check-Writing Policy" in the Association's Policy & Procedure Manual, and are delineated in the management contract of the Executive Director.

The funds, books, and vouchers maintained by the Treasurer and the Executive Director shall at all times be under the supervision of the Board of Directors and subject to the Board's inspection and control. At the expiration of the Treasurer's term of office, the Treasurer shall deliver over to the new Treasurer all books, monies, and other property, or in the absence of a Treasurer, to the President.

Article X-Executive Administrator and Executive Director

The Executive Administrator is charged with the administration of the policies promulgated by the Board of Directors. The duties are administrative in nature only, and any situation that could involve a policy decision, and for which a Board-approved policy is not in place, must be presented to the Board of Directors. The Executive Administrator shall attend all meetings of the Board of Directors, but shall not vote. The Executive Administrator shall be under contract to the Association.

The Board of Directors may appoint an Executive Director, who shall be an Individual Member of this Association. The Executive Director shall be charged with the promotion of this Association and its purposes in such manner as the Board may direct from time to time, and shall serve at the pleasure of the Board.

Article XI -Finances

Section 1. Budget

A budget of income and expenses is to be prepared on a regular basis (but not less than annually) by the Executive Administrator and the Treasurer, and submitted not less than annually to the Board of Directors for approval.

Section 2. Authorization for Expenditures

Expenditures that are not budgeted can only be authorized in the following manner: An expenditure of not more than \$500 in any given year may be authorized by either the President, Vice President, Secretary, or Treasurer. An expenditure exceeding \$500, but less than \$2,500, in any given year can only be authorized with the unanimous vote of the four Board officers (President, Vice President, Secretary, and Treasurer). Should the four officers not be able to agree on an expenditure that is not budgeted, and that falls between \$500 and \$2,500, the matter shall be submitted to a vote of the Board of Directors, with a majority vote of the Board needed for approval. All expenditures exceeding \$2,500 in any given year must be authorized through a majority vote of the Board of Directors.

Section 3. Audit

The Executive Administrator and Board of Directors shall hire a Certified Public Accountant to audit the books of the Association on an annual basis. The results of the annual audits are published each year to the Association membership, and will be made available in writing to any current member, upon request.

Article XII -Committees

The Board of Directors shall establish such committees as it may from time to time determine are necessary to carry on the business of the Association.

Article XIII -Liability

Nothing herein shall be construed to make the members of the Association partners or joint venturers for any reason, and nothing herein shall be construed as giving the Board of Directors of the Association any power or authority to create any liability of any member of this Association. The Board of Directors of this Association has the authority to create liabilities and contract on behalf of the Association, but not on behalf of members hereof.

The Association shall maintain Directors and Officers professional liability coverage to protect the Directors, Executive Administrator and staff, Executive Director, and volunteers of this Association.

Article XIV-Amendments

These Bylaws may be amended, repealed, or altered in whole or in part by a majority vote at any duly organized meeting of the Board of Directors of the Association. The proposed change shall be submitted in writing to each Director at least ten days before the time of the meeting that is to consider the change.

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