Bylaws

Article I: Name

The name of this organization will be "Parachute Industry Association" and will be commonly referred to as "PIA."

Article II: Objective

The objectives of PIA shall be:

- To advance and promote the growth, development, training, and safety of parachuting activities.
- To engage and serve participants in the parachute industry.

Article III: Membership

Section 1. Levels

PIA will offer five levels of membership.

- Sustaining Member
- Full Member
- Affiliate Member
- Honorary Member
- Lifetime Advisory Membership

Only Sustaining Members and Full Members are eligible to vote.

Membership eligibility criteria, dues and additional benefits and privileges will be established by the Membership Committee.

Section 2. Status

Persons or organizations meeting the criteria of the Membership Committee may be granted membership status upon:

- A majority of votes from voting members present and voting at the regular meeting.
- Payment of the appropriate dues. Any member who does not pay the annual dues within 90 days of invoicing will automatically be removed as a member.
- Membership privileges shall be suspended on the member's membership expiration date.

Section 3. Limitations

No member shall represent themselves as acting, nor shall any member act, on behalf of PIA without express authorization of the Executive Committee.

Section 4. Renewal

Renewal of membership in the Parachute Industry Association includes agreement to abide by current Bylaws and the Code of Professional Ethics.

Article IV: Executive Committee

The **Executive Committee** will consist of the President, Vice President, Secretary, Treasurer and Executive Advisor. They will have general supervision of PIA and the authority commonly conferred on such bodies by the recognized rules of order.

The members of the Executive Committee shall consist of representatives of Sustaining and Full member companies or organizations, or individual Sustaining or Full members.

No two or more Executive Committee members shall:
1. Represent the same PIA member company or organization.
2. Be representatives of PIA member companies or organizations with common ownership.
3. Be an individual member and represents a member company or organization owned wholly or in part by that individual.

Executive Committee meetings shall be open to all members in good standing, except that notwithstanding any other provision of these Bylaws, by majority vote of the Executive Committee members present and voting at a duly called meeting of the committee, the Executive Committee may elect to meet in executive session, which meetings shall not be required to be open to the members, other than to those on the Executive Committee and any persons invited to the meeting present at the meeting. The taking of minutes at such meetings shall not be required.

Any proposition affecting the fundamental regulations, policies or welfare of PIA will first be referred to the Executive Committee. No vote will be taken by PIA on such a proposition unless the membership, through the official publication or by individual notice, has been notified at least 30 days in advance of such vote.

Section 1. Executive Committee Officers

The elective officers of this organization will be President, Vice President, Secretary, Treasurer and Executive Advisor. Together they will comprise the Executive Committee.

Section 2. Duties

The **President** will preside over the meetings of the Executive Committee, act as the legal head of the same and exercise such other authority and perform such other duties as authorized by the Executive Committee.

Further, the President will preside over PIA meetings, appoint necessary committees, and perform such other duties as the recognized "Roberts Rules of Order" confer on the office of President. The President (or his appointee) will represent PIA to organizations, the public, and government bodies.

The **Vice President** will assist the President in his duties and perform such other duties as may fall on this office. In the absence or incapacitation of the President, the Vice President's duties will be the same of those of the President.

The **Secretary** will keep the records of PIA and of the Executive Committee, record the Minutes of PIA and Executive Committee meetings, distribute official notices as directed, conduct official correspondence, keep a record of attendance at all meetings, and perform such other duties as may fall on this office. The Secretary will also chair meetings in the absence of both the President and the Vice President.

The **Treasurer** will collect and account for monies and report on the finances of PIA. The Treasurer will render such financial reports as are directed by the Executive Committee and perform such other duties as may fall on this office. In the absence of the President, Vice President, and Secretary, the Treasurer will chair meetings.

The **Executive Advisor** will advise the Executive Committee in its endeavors.
In the absence of the President, Vice President, Secretary, and Treasurer, the Executive Advisor will chair meetings.

Section 3. Tenure

The term of office of the elective officers will be for a period of two years. This two-year term will coincide with the first regular meeting of an even calendar year.

Section 4. Vacancies

In the event the position of the President becomes permanently vacant, the Vice-President shall become President of the organization. In the event of the simultaneous vacancy of both the President and Vice-President positions, the Secretary, Treasurer or Executive Adviser shall become President, in that order. The new President shall remain in that position until the next regular election of the first regular meeting of an even calendar year.

In the event of a vacancy of any other position in the Executive Committee, including the Vice-President vacancy upon becoming President, the Executive Committee shall appoint, by a majority vote of the remaining members, an interim member to fulfill the vacant position. The

interim appointment shall last until the next regularly scheduled meeting, at which point an election will be conducted to fulfill the rest of the vacant term.

Article V: Standing Committees

New standing committees may be created by a majority vote of voting members present and voting at a regular or special meeting of the PIA.

Standing Committees will be maintained until such time as they are dissolved by a majority of votes of voting members present and voting at a regular or special meeting of PIA.
Committee meetings shall be open to all members in good standing.

Section 1. Tenure

The terms of office of Standing Committee Chairs shall be for a period of one year, unless otherwise determined by the Executive Committee.

Section 2. Authority

No committee will have the authority to commit PIA on matters of policy or finance.

Article VI: Ad Hoc Committees

Ad Hoc Committees will be established for a specified period of time for the purpose of handling special projects. Ad Hoc Committees shall be chaired by a voting member appointed by the President. The Chairman shall then appoint members to serve on the committee as required. Ad Hoc committee meetings shall be open to all members in good standing.

Article VII: Elections

Section 1. Nominations

Nominations may be made by any member.

Section 2. Executive Committee

Elections for the offices of President, Vice President, Secretary, Treasurer, and Executive Advisor will be held during the first regular meeting as required by office tenure.

Section 3. Standing Committees

Elections for Standing Committee Chairmen will be held at a regular meeting as required by office tenure.

Article VIII: Meetings

Section 1. Regular Meetings
Regular meetings of PIA will be held twice yearly. The Executive Committee will inform the membership no less than 30 days prior to the meeting date.

Section 2. Special Meetings

The Executive Committee will inform the voting members no less than 30 days prior to a special meeting.

Section 3. Quorum
A quorum shall consist of either fifteen (15) or 50% of voting Members in good standing.

Section 4. Proxy Votes

Proxy votes are not allowed.

Section 5. Vote by Ballot

A vote by ballot may be called for by any eligible member immediately prior to the vote.

Section 6. Meeting votes

Sustaining and Full Members of the organization shall have the power to vote on any motions presented at the plenary session or other duly called meeting in accordance with these Bylaws. Upon establishment of a quorum, votes shall be counted as a majority or super-majority of members present and voting. An abstention shall not count as a vote either in favor or against a motion. An abstention shall not decrease the quorum at the time of voting.

Section 7. Records

Records of PIA shall be maintained.

Article IX: Incorporation

The Association will be incorporated under the laws of the state of Colorado.

Article X: Amendments and Adoptions

Section 1. Bylaws – Voting

The PIA Bylaws may be amended by a two-thirds vote of eligible Sustaining and Full Voting Members present and voting at a regular or special meeting of PIA, after the amendment has been read at one previous regular meeting or published in PIA's official publication, or written notice having otherwise been furnished the membership at least 30 days prior to the

meeting at which it is to be considered.

These Bylaws will be declared adopted by a two-thirds majority of all voting members present and voting at the meeting during which the Bylaws are considered.

Article XI: Removal of Officers

Elected officers will be removed from office at any time by a two-thirds vote of the voting members present and voting at an announced meeting of PIA.

Article XII: Membership Expulsion

Subject to the provisions of Article XVII, any Parachute Industry Association member may be expelled by a two-thirds vote of the voting members present and voting at an announced meeting of PIA.

Article XIII: Parliamentary Award

“Robert's Rules of Order”, Newly Revised, latest revision available will be the parliamentary authority for all legislative procedures not specifically covered by the Bylaws of this Association.

Article XIV: Dissolution Provision

Upon the winding up and dissolution of this corporation, after paying or adequately providing for the debts of the corporation, the remaining assets shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for charitable, educational, religious and/or scientific purposes and which has established its tax exempt status under Section 501 (c) of the Internal Revenue Code.

Article XV: Indemnification

The PIA shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action suit or proceeding (other than an action by or in the right of the PIA) by reason of the fact that the person is or was an officer, director, employee or agent of the PIA, against expenses (including legal fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with the action, suit or proceeding, if the person acted in a manner the person reasonably believed to be in or not opposed to the best interest of PIA and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or plea of nolo contendere or its equivalent shall not create a presumption that the person did not act in a manner reasonably believed to be in or not opposed to the best interests of the PIA and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

The PIA shall indemnify any person who was or is a party or is threatened to be made a party to any threatened pending or completed action or suit by or in the right of the PIA

to procure a judgment in its favor by reason of the fact that the person is or was an officer, director, employee or agent of the PIA, against expenses (including legal fees) actually and reasonably incurred by the person in connection with the defense or settlement of the action or suit, if the person acted in good faith in a manner the person reasonably believed to be in or not opposed to the best interests of PIA, except that no indemnification shall be made with respect of any claim issue or matter as to which the person has been adjudged to be liable for negligence or misconduct, or any of the extent that the court in which the action or suit was brought shall determine on application that despite the adjudication of liability, the person, in view of all the circumstances, is fairly and reasonably entitled to indemnify.

To the extent that an officer, director, employee or agent of the PIA has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in Paragraphs One and Two, or in the defense of any claim, issue or matter therein, that person shall be indemnified for expenses (including legal fees) actually and reasonably incurred in connection therewith.

Indemnification shall be made by PIA only as authorized in specific instances on a determination by the Board of Directors that indemnification is proper under Paragraphs One and Two or both. The determination shall be made by a majority vote of a quorum of the Directors who were not parties to the action, suit or proceeding. If a quorum is not obtainable or if obtainable but a quorum of disinterested directors so directs, the determination may be made by independent legal counsel or by written opinion.

The Board of Directors may authorize the purchase and maintenance by PIA of insurance on behalf of any officer, director, employee or agent of PIA insuring against liability incurred by a person in that capacity or arising from that status, without regard to whether PIA would have the power to indemnify the person against liability under these Bylaws.

Article XVI: USA Antitrust Guidelines

Section 1. Guidelines

The Parachute Industry Association (PIA) is the international trade association headquartered in the United States of America which represents parachute manufacturers, users, and their suppliers, which participate in the global market. PIA's mission is to promote and enhance its members' competitiveness, productivity and profitability in the global market by minimizing regulatory, commercial, political, and trade restraints. PIA provides its members opportunities to network and share ideas on issues of common interest.

As a USA based corporation, the antitrust laws of the United States of America commit us to preserve a competitive economy unrestrained by agreements or concerted actions among competitors, which restrict their competitive capabilities or the opportunities of their competitors, their suppliers or their customers. Our objectives as an organization have been, and continue to be, achieved without violating our antitrust standards, so long as we remain cognizant of our responsibilities and adhere to safe conduct guidelines for participating in meetings and other activities.

Section 2. Compliance

Who is responsible for the antitrust compliance? All the PIA members and any guests who may participate in meetings sponsored by PIA must comply with the antitrust laws.

Section 3. Conduct

Certain conduct among competitors is obviously unlawful, such as agreements to fix prices, boycott suppliers, limit production or allocate markets or customers. Other conduct, however, is less easily identified or defined, and we all rely upon the good judgment of the PIA members and guests to avoid intrusions into those areas.

If you have any questions about any of the guidelines, please discuss them with your company's legal counsel.

Article XVII: Mediation and Arbitration

Section 1. Membership

A membership in the PIA is a privilege and may be conditioned or limited as provided in these Bylaws or by vote of a majority of the Executive Committee at any regular or special meeting and is subject to any rules and regulations promulgated by the Executive Committee.

Section 2. Mandatory Mediation

Any controversy, dispute or claim against the Association, its employees, Officers, Executive Committee or Committee Chairs, or against or between any of its Members or former Members arising from membership in the Association shall be subject to mediation in an endeavor to settle the dispute in an amicable manner as a condition precedent to arbitration required hereunder in Section 3. The mediation shall be administered by the American Arbitration Association ("AAA") under its Commercial Mediation Rules (the "Mediation Rules"), except that the mediator shall be appointed by (i) the President as long as he is not an interested party or potential witness, or (ii) if the President is an interested party or potential witness, by majority of the Executive Committee who are not interested parties or potential witnesses, or (iii) if there is no such majority of the Executive Committee, by three Members who are not potential witnesses who shall be selected by the Board of Directors by majority vote, or (iv) if there are no such Members, in accordance with the provisions of the Mediation Rules then in effect. Any appointment under (i), (ii) or (iii) above shall not be subject to challenge or removal by the AAA. The mandatory mediation shall be held in a city determined by the Executive Committee within 30 days of request by a party to a Claim given by written notice to the other party or as provided herein, with a copy of the request furnished to the President. A Claim must be initiated within one (1) year after occurrence of the event giving rise to such Claim.

Section 3. Mandatory Arbitration

Any Claim not resolved by mediation as set forth in Section 2 hereof (the "Mediation Claim"), including disputes as to the scope and meaning of this Article and the arbitrability of any Claim, shall be decided by arbitration. A claim in arbitration must be initiated within ninety (90) calendar days after termination of the Mediation Claim pursuant to Rule M-14 of the Mediation Rules. The arbitration shall be administered by the AAA under its Commercial Arbitration Rules – Expedited Procedure (the "Arbitration Rules"), except that the arbitrator, who is familiar with the custom and practice of the PIA, shall be appointed by (i) the President, as long as he is not an interested party or potential witness, or (ii) if the President is an interested party or potential witness, by a majority of the Executive Committee who are not interested parties or potential witnesses, or (iii) if there is no such majority of the Executive Committee, by three Members who are not potential witnesses who shall be selected by the Executive Committee by majority vote, or (iv) if there are no such Members, in accordance with the Arbitration Rules then in effect. Any appointment under (i), (ii) or (iii) above shall be made within thirty (30) days after receipt by the President of the Claim in arbitration and shall not be subject to challenge or removal by the AAA.

Section 4. Hearings and Awards

The arbitration shall be before one (1) arbitrator and shall be held in a city determined by the Executive Committee. The hearings shall not be open to the public or other Members unless otherwise provided herein. A Member may attend a hearing in which the Association, its Officers, the Executive Committee or employees is a party. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Section 5. Attorney's Fees

In the event that the Association retains an attorney in connection with any complaint or violation under this Article, or any Claim (as defined in Article 2) or other controversy (i) with respect to any Member's action, inaction or behavior, including, without limitation, replying to any legal process; or (ii) if the Association becomes a party, either as plaintiff or defendant, petitioner or respondent, in connection with any such complaint, violation Claim or controversy concerning a Member, and the Association is not found to be at fault or liable to the Member; then, in any such event, the Executive Committee may require the Member to indemnify the Association from and against all costs and expenses, including without limitation, reasonable attorneys' fees, incurred by the Association in connection with such complaint, violation, Claim or controversy.