



INTERNATIONAL SOCIETY OF TRANSPORT AIRCRAFT TRADING
BYLAWS
AMENDED, RESTATED AND APPROVED - 27 February, 2015

**SECOND AMENDED AND RESTATED BYLAWS
OF
THE INTERNATIONAL SOCIETY OF TRANSPORT AIRCRAFT TRADING**

ARTICLE I

NAME AND OFFICE

Section 1. **Name.** The name of the corporation is the “International Society of Transport Aircraft Trading” (“**ISTAT**” or “**Organization**”), incorporated as a nonprofit nonstock corporation under the General Corporation Law of the State of Delaware.

Section 2. **Registered Agent and Office.** ISTAT shall maintain a registered office and registered agent in the State of Delaware. ISTAT may have such other offices within or outside of the State of Delaware as the Board of Directors (“**Board**”) shall decide from time to time.

ARTICLE II

PURPOSE AND OBJECTIVES

Section 1. **Purpose.** ISTAT is the type of organization described in Section 501(c)(6) of the Internal Revenue Service Code. It was not organized for profit and its net earnings shall not inure to the benefit of any private person.

Section 2. **Objectives.** The objectives of ISTAT shall be as follows:

(a) To promote and provide a forum for improved communication among those involved in activities associated with or related to aviation (the “**industry**”);

(b) To arrange for lectures, workshops, seminars and demonstrations applicable to the industry;

(c) To encourage and arrange for conferences, receptions and exhibitions for the industry;

(d) To provide news and information of general interest to the industry, with members being given the opportunity to describe their activities of such general interest to other members;

(e) To support a foundation relating to the industry for educational and other charitable purposes; and

(f) To develop standards governing certain practices and procedures in connection with the appraising of aircraft for the benefit of the industry.

ARTICLE III

MEMBERSHIP

Section 1. **Membership.**

(a) **General.** The membership of ISTAT shall be comprised of individuals who support the objectives of the organization and share a common business interest in furthering such objectives. While corporate or other entities may be permitted multiple individual members (on such terms as shall be established by the Board), such corporations or other entities shall not be considered members in their own right (and each individual member shall be entitled to all membership benefits). Any such corporation or other entity who shall arrange for multiple individual memberships from its organization is referred to as a “**Corporate Entity**”. The Board may develop such criteria and qualifications for membership as it shall from time to time deem advisable. Membership shall not be denied or abridged because of sex, creed, race, religion, disability, ethnic origin, national origin, sexual orientation, gender identity or age, or for any reason unrelated to character, competence, ethics, professional status or professional activities.

(b) **Rights and Privileges.** After approval of the membership application and payment of applicable fees and dues, a member shall have all the rights and privileges of membership, including, subject to the terms hereof, the right to hold office and serve on any committee of ISTAT; provided, however, that the right to vote for directors as permitted herein is conditioned upon a member having (i) registered for the most recent Annual Meeting at which directors were elected or (ii) registered for at least one ISTAT conference, other than ISTAT events such as airshow receptions, in the past 13 months.

Section 2. **Emeritus Member.**

(a) **General.** Emeritus Member status is a mark of recognition by ISTAT of an individual's contribution to achieving the aims of ISTAT or of outstanding service to the industry.

(b) **Qualification.** Emeritus Member status will be automatically conferred upon (1) ISTAT Past Presidents, (2) ISTAT Award Recipients and (3) former Chair(s) of the ISTAT Foundation. The Board may also confer such status upon individuals who have shown, in the course of their participation with ISTAT as members in good standing for a minimum of 10 years, an extraordinary dedication and willingness to work to achieve the aims of ISTAT.

(c) **Privileges.** Members upon whom Emeritus Member status has been conferred will not be required to pay annual dues and will receive such other benefits as the Board shall determine from time to time.

ARTICLE IV

FEES AND DUES

Section 1. **Amount.** The Board may establish membership fees and dues, may adjust such fees and dues or offer discounts for memberships as it shall determine from time to time to encourage membership, and may establish procedures for administration of membership applications and related matters, in each case as it shall deem advisable. An initial administrative fee for new members and the annual dues for all members shall be established from time to time by resolution of the Board. Different fees and dues may be established for specific members, as determined by the Board in its sole discretion.

Section 2. **Change in Status.** Any individual member who shall be part of a Corporate Entity shall, after leaving the employ of such Corporate Entity, cease to retain the benefits of membership for the balance of the applicable fiscal year unless it shall pay such fees and dues (on a pro-rated basis) as shall be prescribed by the Board. In such event, the applicable Corporate Entity shall be entitled to replace the departing member without payment of a supplemental annual membership fee.

Section 3. **Reinstatement.** The Board may reinstate any member who is suspended or terminated for nonpayment of dues upon payment of all outstanding dues and, if the Board so determines, a reinstatement fee.

ARTICLE V

TERMINATION OF MEMBERSHIP

Section 1. **Voluntary.** Any member may resign at any time by filing written notification with the Secretary. Such resignation shall not exempt said member from the payment of any fees, dues or assessments incurred up to and including the fiscal year in which the resignation takes place.

Section 2. **Involuntary.** Any member whose annual dues shall remain unpaid for ninety (90) days after written notice that they have become due shall be deprived of all privileges and honors of membership until such dues are paid. The President or the Treasurer, or either of their designees, shall send written notice of such delinquency and suspension and potential loss of membership privileges. Unless such dues in arrears are paid in full within thirty (30) days of receipt of such notice, the individual's membership shall be terminated.

Section 3. **For Misconduct.** Membership in ISTAT is a privilege. The membership of any member who engages in such conduct as the Board considers prejudicial to the objectives, best interests, welfare or purposes of ISTAT, including without limitation violation of these Bylaws or the policies of ISTAT, may be terminated by a two-thirds (2/3) vote of the members of the Board present at a meeting at which a quorum is present; provided, however, notice of such contemplated action shall be first mailed to such member at least thirty (30) days prior to the meeting of the Board at which such action will be considered, and the member shall be offered an opportunity to respond in person or in writing to such charges.

ARTICLE VI

MEETING OF THE MEMBERS

Section 1. **Annual Meeting.** The annual meeting of ISTAT shall be held in the spring of each year on such date and at such time and place as determined by the Board.

Section 2. **Special Meetings.** Special meetings of the members of ISTAT for any purpose may be called at any time by the Board with the affirmative vote of a majority of the members of the Board.

Section 3. **Notice.** The President or the Secretary shall cause notice of each meeting of members to be given in writing to each member entitled to vote: (i) by electronic transmission or (ii) by first-class mail, postage prepaid, to such member's address of record, at least thirty (30) days prior to the date of such meeting, except for the annual meeting and where a different notice period is required by applicable law. Such notice shall specify (i) the date, time and place of such meeting, (ii) means of remote communications by which members may be deemed to be present in person and may vote at such meeting, (iii) in the case of a special meeting, the purpose or purposes for which such meeting is called, and (iv) such other information as may be required by applicable law or as may be deemed appropriate by the Board.

Section 4. **Waiver of Notice.** A waiver of notice of meeting by a member provided to ISTAT in writing or by electronic transmission, whether given before or after the meeting time stated in such notice, is deemed equivalent to notice. Attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except when the member attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business at the meeting on the grounds that the meeting was not lawfully called or convened.

Section 5. **Quorum and Voting.** The presence, in person or by telephone, at any meeting of a majority of the members entitled to vote thereat shall constitute a quorum for the transaction of business, and the affirmative vote of the majority of the members present, in person or by telephone, at a meeting at which a quorum is present shall be the act of the members.

Section 6. **Proxy Voting Prohibited.** At any meeting of the membership, only those members present (in person or by telephone) are entitled to vote on matters presented for a vote. Proxy voting is not permitted.

Section 7. **Action Without a Meeting.** Any action required to be or that may be taken at a meeting of the members may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members having a right to vote thereon were present and voted. Such consent must bear the name and the date of signature of each member who signs the consent, and it must be delivered to the Secretary or his designee. Written consents signed by a sufficient number of members to take action must be delivered to the Secretary or his designee within sixty (60) days of the earliest dated consent delivered to the

Secretary or his designee in order for a written consent to be effective to take the corporate action referred to therein.

Prompt notice of the taking of the corporate action without a meeting by less-than-unanimous written consent shall be given to those members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting.

ARTICLE VII

BOARD OF DIRECTORS

Section 1. **General Powers.** The general management and control of the affairs, funds and property of the Organization shall be vested in the Board. The duties and powers of the Board shall include, without limitation:

(a) motivate the membership toward the goals of the Organization. To this end, the Board will implement, or direct the officers and committees of the Organization to implement, such activities as may be prescribed by Board resolution;

(b) instruct the Treasurer to provide regular reports to the Board regarding the accounts of the Organization. The Board also shall direct the Treasurer to arrange for an annual independent audit of such accounts;

(c) appoint such committees and committee Chairs as are deemed desirable to execute the business of the Organization, and direct such committees to perform such duties as the Board may prescribe by resolution;

(d) direct the Secretary to (1) keep minutes of its proceedings, and (2) send notices to members of the Board and to the membership; and

(e) contract for professional, administrative and consulting services, as appropriate in the Board's sole discretion, to assist it in the performance of its duties.

Section 2. **Classes, Number and Terms.** The Board of Directors shall be divided into the following classes with the corresponding qualifications and terms for a total of up to twenty (20) directors.

(a) Immediate Past President. There shall be one (1) director who shall be the Immediate Past President. The candidate must be the President of ISTAT whose term most recently expired or is set to expire. The Immediate Past President shall serve for a term of two (2) years and may not serve more than one (1) consecutive term.

(b) Chair of the International Appraisal Board of Governors. There shall be one (1) director who shall be the Chair of the International Appraisal Board of Governors. The candidate must be the most recently elected or appointed Chair of the International Appraisal Board of Governors. The Chair of the International Appraisal

Board of Governors shall serve for a term concurrent with his/her term as Chair of the International Board of Governors.

(c) Chair of the ISTAT Foundation. There shall be one (1) director who shall be the Chair of the ISTAT Foundation. The candidate must be the most recently elected Chair of the ISTAT Foundation. The Chair of the ISTAT Foundation shall serve for a term concurrent with his/her term as Chair of the ISTAT Foundation.

(d) At-Large Director(s). There shall, subject to the terms of these Bylaws, be up to seventeen (17) at-large directors (“**At-Large Directors**”). The candidates for At-Large Directors will be those nominated to the slate of Directors in accordance with Section 1 of Article IX of these Bylaws. Reasonable efforts will be made to ensure that the composition of the candidates for At-Large Directors fairly represents the broad interest and diversity of the membership. All At-Large Directors shall serve for a term of four (4) years (subject to extension in connection with the election of such At-Large Director to an officer position as provided in these Bylaws).

(e) Affiliations. No two directors shall be directly employed by the same company. The foregoing rule shall not apply with respect to two directors in the event that one of said directors shall be the Chair of the ISTAT Foundation or the Chair of the International Board of Governors.

Section 3. Resignation. Any director may resign at any time upon notice given in writing or by electronic means to the President and the Secretary. Any director absent in person or by telephone from three (3) meetings of the Board in any twelve (12) month period shall be deemed to have resigned from the Board.

Section 4. Removal. Any director may be removed with or without cause by the affirmative vote of a majority of the entire membership entitled to vote for directors.

Section 5. Vacancies. In the event of a vacancy on the Board as a result of resignation, removal, incapacitation or death, recommendations for candidates to fill the remaining term for such vacancy shall be provided by the Executive Committee, and such candidates shall be elected by an affirmative vote of a majority of the Board at a meeting at which a quorum is present.

Section 6. Compensation. Directors shall not receive any monetary compensation for their services as directors, but the Board may by resolution authorize reimbursement of expenses incurred in the performance of their duties.

ARTICLE VIII

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at such date, time and place as designated from time to time by resolution of the Board.

Section 2. **Special Meetings.** Special meetings of the Board may be called (i) at any time by the President, and shall be called by him on the written request of any five (5) Board members; or (ii) within sixty (60) days of the receipt by the President of a petition requesting such a meeting that is signed (including by electronic communication) by a minimum of thirty percent (30%) of the active members of the Organization in good standing.

Section 3. **Notice of Meetings.** Except when the time and place of a regular meeting is set by the Board by resolution in advance, notice stating the place, date and hour of any regular or special meeting of the Board of Directors shall be given at least ten (10) days prior thereto by (i) electronic transmission or (ii) first-class mail, postage prepaid. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail. Neither the business to be transacted at nor the purpose of any meeting of the Board of Directors need be specified in the notice of such meeting.

Section 4. **Waiver of Notice.** A waiver of notice of meeting by a director provided to the Secretary in writing or by electronic transmission, whether given before or after the meeting time stated in such notice, is deemed equivalent to notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except when the director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business at the meeting on the grounds that the meeting was not lawfully called or convened.

Section 5. **Quorum and Manner of Acting.** No vote may be taken without a quorum present (including proxies) either in person or by telephone. A quorum will consist of at least two-thirds (2/3) of the members of the Board. The act of a majority vote of the members of the Board present in person or by telephone at a meeting at which a quorum is present (including proxies) shall be the act of the Board.

Section 6. **Proxy Voting.** Any member of the Board entitled to vote may do so in person or by proxy provided that the proxy is given in writing to another member of the Board entitled to vote. The member holding the proxy must attend the meeting in person or by telephone to be entitled to vote.

Section 7. **Action Without a Meeting.** Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing or by electronic transmission and such writing or writings or electronic transmissions are filed with the minutes of proceedings of the Board. Such filings shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

ARTICLE IX

ELECTION OF THE BOARD OF DIRECTORS

Section 1. **Nominations.** At least ninety (90) days prior to the annual meeting, the Nominating Committee shall send a notice inviting nominations to all members entitled to vote for expiring directorships. Nominations may be made by any member either by way of self-nomination or on behalf of another member. Nominations must be received by the Nominating

Committee no later than sixty (60) days prior to the annual meeting. No later than forty-five (45) days prior to the annual meeting, the Chair of the Nominating Committee will submit to the Board a slate of candidates for election to fill the expiring directorships. Nominations will be sent to the Board by (i) electronic transmission or (ii) first-class mail, postage prepaid, and a final slate of candidates will be selected by a majority of the Board (without the need for a special meeting) no later than thirty (30) days prior to the annual meeting. All nominated individuals who wish to be included in the final slate to be presented to the membership must (1) be members in good standing for at least the prior two years, and (2) have submitted a written statement to the Board signifying their willingness and availability to serve on the Board.

Section 2. **Voting Procedure.** Prior to the annual meeting, the Nominating Committee shall distribute instructions on the voting procedures to the members entitled to vote for the expiring directorships. Votes must be submitted pursuant to such instructions by the date stated therein. Members entitled to vote shall have at least ten (10) days to submit a vote in accordance with such instructions.

Section 3. **Results.** Election results will be announced on the final day of the annual meeting, and written notice of such results shall be provided to the entire membership in a timely fashion following the conclusion of such annual meeting.

ARTICLE X

OFFICERS

Section 1. **Officers.** The officers of ISTAT shall include a President, Vice President, Secretary and Treasurer, who shall be elected from among the Board in accordance with Article XI. The officers of ISTAT shall be empowered to oversee the day-to-day operations of ISTAT. The Board may from time to time delegate to any officer the power to appoint subordinate officers or agents and to prescribe their respective rights, terms of office, authorities and duties.

Section 2. **Term.** Officers shall serve for terms of two (2) years. One year prior to each officer's term expiration, his/her successor will be elected in accordance with Article XI below by and from the Board to allow for an orderly transition. A retiring Treasurer may continue in office for a period not to exceed sixty (60) days in order to allow time for closing and auditing of the books of the Organization. The books shall then be turned over to his/her successor who shall thereupon assume the duties of Treasurer, and who shall keep the records in such manner as directed by the Board. An officer's term as a director on the Board will automatically be extended as necessary to correspond with such officer's term as an officer. If a Board member's term has expired but that Board member has been elected to an officer's position, that Board member's seat will be filled by the election process described in these Bylaws and such retiring Board member will remain as a director during the interim period between his/her existing Board term and the commencement of the newly elected officer's position. For purposes of clarification, if a Board member's term is expiring at the end of his/her four year term, even if that Board Member has been elected to an officer position that will commence one year following the expiration of their existing Board term, a new Director will be elected by the membership to fill the retiring Board member's seat and the retiring Board

member shall remain on the Board during the interim year. No person may hold the same officer position for more than one (1) term, except that the Treasurer may be re-elected for one (1) additional term. Further, no individual may serve as an officer, in any position, for more than eight (8) consecutive years.

Section 3. **Authority and Duties of Officers.** The officers of ISTAT shall have such authority, and shall exercise such powers and perform such duties, as may be specified in these Bylaws or by resolution of the Board.

(a) **President.** The President shall motivate the membership toward the goals of the Organization; shall chair Board and general membership meetings when present; and shall perform such other duties as are customarily performed by the chief executive officer of a not-for-profit organization or as may be prescribed by the Board.

(b) **Vice President.** The Vice President shall perform the duties of the President in his absence and shall perform such other duties as may be prescribed from time to time by the President or the Board.

(c) **Secretary.** The Secretary shall maintain the records of the Organization in an orderly manner and in compliance with all applicable laws and regulations; shall be responsible for ensuring that members are notified of meetings; and shall perform such other duties customarily performed by the Secretary of a not-for-profit corporation or as may be prescribed from time to time by the Board.

(d) **Treasurer.** The Treasurer shall be responsible for the finances of the Organization; prepare an annual budget for approval by the Board; recommend annual dues and initiation fees; arrange an annual audit of the finances of the Organization; keep the Board regularly advised of the financial condition of the Organization; and perform such other duties as are customarily performed by the Treasurer of a not-for-profit organization or as may be prescribed from time to time by the Board.

Section 4. **Authority Regarding Certain Contracts.** The Executive Committee may authorize the expenditure of an amount not exceeding five percent (5%) of the total budgeted expenditures of the Organization for the applicable fiscal year on any single expenditure outside the budget, without the requirement of prior Board approval, provided that a majority of the Executive Committee has agreed in writing to such expenditure. All such expenditures shall be accounted for and reported to the Board at the next Board meeting.

Section 5. **Resignation.** Any officer may resign at any time by delivering notice of resignation to the Secretary, or the President in the case of the resignation of the Secretary. Any officer deemed to have resigned from the Board due to repeated absences from meetings of the Board pursuant to Section 3 of Article VII shall simultaneously be deemed to have resigned from his or her officer position.

Section 6. **Removal.** Any officer may be removed with or without cause at any time by an affirmative vote of two-thirds (2/3) of the entire Board.

Section 7. **Vacancies.** Any vacancy occurring in any office of ISTAT by death, resignation, incapacitation, removal or otherwise shall be filled by a majority vote of the entire Board.

ARTICLE XI

ELECTION OF OFFICERS

Section 1. **Nomination.** At the Board meeting held approximately three (3) months prior to the annual meeting each year, the Board will determine a slate of candidates for each office that will be vacated at the second following annual meeting. Subject to the term limits set forth in Section 2 of Article X above, any member of the Board may nominate himself or herself for any specific officer vacancy or vacancies, although no person may be nominated to become an officer who has not been a member of the Board for the preceding two (2) years prior to the date such nominee would take the elected office. The President shall be in charge of the election which shall be conducted no less than seventy-five days (75) days prior to the next annual meeting. For the purpose of clarification, the above timing for officer elections is necessary so that it can be determined well in advance of the annual meeting how many Director vacancies will need to be filled.

Section 2. **Voting Procedure.** The election of officers shall be conducted by secret ballot as instructed by the then-President at a meeting of the Board. Each member of the Board shall be entitled to one vote. Votes will be counted by the President and two other Board members randomly selected, provided that such selected directors are not running for office. The first vote will be for the position of President. Once the President position is filled, any candidate for that office that did not win the election for President may, at the candidate's request (and subject to applicable eligibility requirements), be added to the ballot for any of the other offices. The same process shall be followed for the remaining officer positions to be filled in the order of Vice President, Secretary and Treasurer. The candidates receiving the most votes for each vacant position shall be awarded such position.

Section 3. **Results.** The President, or his designee, will communicate the results of each election in a timely fashion to the Board and the membership.

ARTICLE XII

COMMITTEES

Section 1. **Generally.** The Board may designate one or more committees of the Board by the affirmative vote of a majority of the Board at a meeting at which a quorum is present. Each committee shall consist of at least one (1) director. Each committee shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of ISTAT to the extent permitted by law and delegated to such committee by resolution of the Board or as set forth in these Bylaws.

Section 2. **Committee Procedures.** At any meeting of any committee, the presence of a majority of its members shall constitute a quorum for the transaction of business, unless

(a) such committee has only one or two members, in which case a quorum shall be one member, or (b) a greater quorum is established by the Board. The vote of a majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee. Each committee shall keep regular minutes of its meetings and report to the Board when required.

Section 3. **Vacancies on Committees.** If a vacancy occurs in any committee of the Board for any reason, the remaining members of the committee may continue to act if a quorum is present. A committee vacancy shall be filled by the President.

Section 4. **Standing Committees.** In addition to those committees created by resolution of the Board from time to time, ISTAT shall have the following standing committees:

(a) Executive Committee.

(1) *Authority and Responsibility.* The Executive Committee, between Board meetings, shall have and exercise the authority of the Board in the management of ISTAT, consistent with these Bylaws and law; provided that the Board may limit the powers of the Executive Committee as it deems necessary or appropriate. Actions of the Executive Committee shall be reported to the full Board at the next meeting thereof. The designation or appointment of any such committee and the delegation to it of authority shall not operate to relieve the Board, or any individual director, of any responsibility imposed by law.

(2) *Composition.* The Executive Committee shall be comprised of the President, Vice President, Treasurer, Secretary and the Immediate Past President.

(b) Nominating Committee.

(1) *Authority and Responsibility.* The Nominating Committee shall be responsible for receiving and reviewing submitted nominations to the Board, and preparing a slate of candidates to be voted upon at the annual meeting for those expiring director positions in accordance with these Bylaws.

(2) *Composition.* The Nominating Committee shall be comprised of directors appointed by the President and shall be chaired by the Immediate Past President, or such other member appointed by the President if the Immediate Past President is unable or unwilling to serve as chair.

(c) Finance Committee.

(1) *Authority and Responsibility.* The Finance Committee shall monitor the financial activities of the Organization and present key metrics to the Board; prepare and provide guidance in respect of the annual operating budget of the Organization; monitor the internal accounting practices, procedures and controls of the Organization and oversee the annual audit of the Organization; renew Form 990 and ensure it is distributed to the Board; and monitor the

financial performance of the Organization. Actions of the Finance Committee shall be reported to the full Board at the next meeting thereof.

(2) *Composition.* The Finance Committee shall be comprised of directors appointed by the President and chaired by the Treasurer.

(d) Events Committee.

(1) *Authority and Responsibility.* The Events Committee shall be responsible for the creation, coordination and production of all national and international conferences, receptions and exhibitions produced by the Organization. The Events Committee shall also be responsible for obtaining and coordinating sponsorships for each such event. Actions of the Events Committee shall be reported to the full Board at such intervals and with such frequency as appropriate to keep the Board apprised of the status of upcoming and completed ISTAT events, or as requested by the Board.

(2) *Composition.* The Events Committee shall be comprised of individuals (who may include non-director members) appointed by the President and chaired by a member of the Board appointed by the President.

(e) Membership Committee.

(1) *Authority and Responsibility.* The Membership Committee shall promote membership in the Organization, evaluate, approve or reject applications for membership; and perform such other duties relating to membership in the Organization as the Board may assign. Actions of the Membership Committee shall be reported to the full Board at such intervals and with such frequency as appropriate to keep the Board apprised of the status of upcoming and completed ISTAT events, or as requested by the Board.

(2) *Composition.* The Membership Committee shall be comprised of individuals (who may include non-director members) appointed by the President and chaired by a member of the Board appointed by the President.

ARTICLE XIII

SUBCOMMITTEES

Section 1. **General.** Unless otherwise provided in these Bylaws or by resolution of the Board, each ISTAT committee shall have the authority to create one or more subcommittees, comprised of one or more members of the committee, and delegate some or all of its authority and powers to such subcommittee.

ARTICLE XIV

STAFF

Section 1. **Staff.** ISTAT may retain or employ compensated executive and administrative staff members and other personnel to administer its affairs in accordance with these Bylaws and the policies established by the Board. The Board may delegate duties of officers to such executive staff members under the supervision of such officers.

Section 2. **Staff Responsibilities.** The administration and day-to-day operations of ISTAT shall be the responsibility of a salaried staff head or, in the case of a management firm, executive director retained by such firm (the “**Executive Director**”). This individual shall have the authority to execute contracts on behalf of ISTAT, subject to the limitation set forth in these Bylaws, according to policies and procedures approved by the Board. He/she may carry out such other duties as specified by the Board and may attend and participate in all meetings of the Board and committees except otherwise provided by these Bylaws.

Section 3. **Authority.** The Executive Director shall have the standing authority to sign all checks and arrange all funds transfers, in each case in connection with a single transaction or series of related transactions, in each case as contemplated by the then approved fiscal year budget or otherwise as approved by the Board in accordance with these Bylaws, in an amount up to one hundred thousand dollars (\$100,000).

ARTICLE XV

INTERNATIONAL APPRAISAL BOARD OF GOVERNORS

Section 1. **International Appraisal Board of Governors.** There shall be an International Appraisal Board of Governors (“**IBG**”), which shall consist of a core group of professional aircraft appraisers who will work cooperatively for the elevation of the appraisal profession within the world aviation community.

Section 2. **Composition; Terms.** The IBG shall be comprised of a Chair and seven other ISTAT members in good standing. The Chair shall serve for a term of three (3) years, and the other members of IBG shall serve two (2) year terms.

Section 3. **Qualifications and Selection.**

(a) **The Chair.** The Chair shall have been accredited by ISTAT as a Senior or Fellow Appraiser, shall have been an ISTAT-certified appraiser for at least ten (10) years and shall be elected by the appraiser members as outlined in the ISTAT “Aircraft Appraisers Program” as revised or modified by the Board from time to time.

(b) **Senior or Fellow Appraiser Members.** Two (2) members of the IBG shall have been accredited by ISTAT as Senior or Fellow Appraisers and shall be elected by the appraiser members as outlined in the ISTAT “Aircraft Appraisers Program” as revised or modified by the Board from time to time.

(c) IBG Members. The remaining five members of the IBG shall represent other communities of interest within ISTAT and shall be elected by the Board as set forth in the ISTAT “Aircraft Appraisers Program” as revised or modified by the Board from time to time.

(d) Board Service. With the exception of the Chair of the IBG, no other member of the IBG may simultaneously serve as a director on the Board of ISTAT.

ARTICLE XVI

ISTAT FOUNDATION

Section 1. **ISTAT Foundation**. There shall be an ISTAT Foundation (the “**Foundation**”) to provide scholarships, educational programs, grants and humanitarian initiatives to qualified entities that promote and further the advancement of commercial aviation. The management of the affairs of the Foundation will be governed by a separate set of bylaws.

Section 2. **ISTAT Foundation Chair of the Board of Trustees**. The Chair of the Foundation must be an ISTAT member in good standing.

ARTICLE XVII

INDEMNIFICATION AND INSURANCE

Section 1. **Indemnification**. ISTAT shall indemnify any person who is or was an officer, director, committee member, employee or authorized agent of the Organization against any threatened or pending civil, criminal, administrative or investigative action, suit or proceeding (other than an action by or on behalf of the organization) against expenses (including attorneys’ fees), judgments, fines and settlements reasonably incurred by the person arising out of his/her service on behalf of the Organization to the full extent permitted by and in accordance with the provisions of Delaware law. Such persons shall not be indemnified against their intentional or criminal wrongdoing.

Section 2. **Insurance**. ISTAT may purchase and maintain insurance on behalf of any person referenced in Section 1 of this Article XVII against any liability incurred in his or her capacity under Section 1 of this Article XVII, whether or not the Organization would have the power to indemnify such person against such liability.

ARTICLE XVIII

DISSOLUTION

Section 1. **Distribution of Assets**. Upon the dissolution of ISTAT, whether voluntary, involuntary or otherwise by operation of law, the Board shall, after paying or making provision for the payment of all of the liabilities of ISTAT, dispose of all of the assets of the Organization exclusively for the purposes of the Organization in such manner, or to such organization or organizations of the type as shall at the time qualify as an exempt organization or organizations under Section 501(c)(6) of the Internal Revenue Code of 1954 (or the

corresponding provision of any future United States law), as the Board shall determine. Any assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of ISTAT is then located, exclusively for such purposes to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes. In any event, no assets may be disposed of so as to confer any benefit upon any director or member of the Organization.

ARTICLE XIX

AMENDMENTS

Section 1. **Amendment to these Bylaws.** These Bylaws may be amended by the affirmative vote of two-thirds (2/3) of all the members of the Board. No proposition to amend these Bylaws shall be acted upon at any meeting of the Board unless the text thereof is presented to the full Board in writing or by electronic means at least thirty (30) days prior to the meeting at which action will be taken.