

REVISED 31 July 2008
AIRLINE AVIONICS INSTITUTE, INC.
CONSTITUTION
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REVISED 31 July, 2008
AIRLINE AVIONICS INSTITUTE, INC.
CONSTITUTION

ARTICLE I

DEFINITIONS

Where used in this Constitution and Bylaws, the following definitions shall apply and shall have the meanings indicated:

- SEC. 1 "AAI" means the Airline Avionics Institute, Inc.
- SEC. 2 "AAI Meeting", when printed with the first letter of the word "meeting" capitalized and not preceded by a modifying word, means any meeting of the Voting Members of the AAI.
- SEC. 3 "Annual Assembly" means the AAI Meeting during which the primary annual business of the AAI is conducted and which shall be held each calendar year immediately after the Annual Board Meeting as further provided in the Bylaws.
- SEC. 4 "Annual Board Meeting" means the Board Meeting which immediately proceeds the Annual Assembly and during which the primary annual business of the Board is conducted, as further provided in the Bylaws.
- SEC. 5 "Board", when printed with the first letter capitalized and not preceded by a modifying word, means the duly elected or appointed and currently seated Board of Directors of the AAI comprising the Officers of the AAI.
- SEC. 6 "Board Meeting", when printed with the first letter of both words capitalized and not preceded by a modifying word, means any meeting of the AAI Board of Directors.
- SEC. 7 "Bylaws" means the Bylaws of the AAI as adopted by the Board of Directors of the AAI as herein set forth and amended as hereinafter provided.
- SEC. 8 "Corporation", when printed with the first letter capitalized and not preceded by a modifying word, means the Airline Avionics Institute, Incorporated (AAI).
- SEC. 9 "Member" or "Membership", when used with the first letter capitalized and not preceded by a modifying word, means any entity accepted by the Board to actively participate in the affairs of the AAI.
- SEC. 9.1 The term "member", or "membership", when not used with the first letter capitalized and not preceded by a modifying word, shall include all grades of membership.
- SEC. 10 "Office" means any elective position of honor and trust on the AAI Board of Directors.
- SEC. 11 "Officer" means the person serving or holding an Office or position on the AAI Board of Directors.

ARTICLE I (continued)

SEC. 12 The masculine gender, when used in this Constitution and Bylaws, shall also include the feminine gender without any restrictions or limitations.

ARTICLE II

NAME AND OBJECTIVE

SEC. 1 The name of this organization is the AIRLINE AVIONICS INSTITUTE, INC., operating as a not-for-profit and tax exempt Corporation under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954 as amended. The Airline Avionics Institute, Inc. will hereinafter be referred to as the AAI.

SEC. 2 The objective of the AAI shall be to:

SEC. 2.1 Develop an organization of entities from the commercial avionics industry dedicated toward advancing the recognition of those entities by supporting the activities of industry organizations and groups engaged in promoting aircraft flight safety, efficiency, control and maintenance by furthering the "state -of-the-art" in commercial avionics and related aircraft products, systems, product support, marketing and services;

SEC. 2.2 Support and assist airline avionics committees which operate through Aeronautical Radio Incorporated (ARINC) and specifically those airline engineering and maintenance groups known as the AEEC and AMC; and also flight simulation known as FSEMC;

SEC. 2.2.1 The supported industry groups may be changed from time to time by the Board acting upon behalf of the Members;

SEC. 3 In furtherance of its objectives, the AAI shall be empowered to engage in any business or transactions which the Board may, from time to time, authorize or approve, whether related or unrelated to the business described in SEC. 4 (a) or to any other business than heretofore transacted by the Corporation, so long as the proceeds of said business benefits the majority of the Membership and do not serve the specific interests of any individual member or members and:

SEC. 3.1 To act as principal, agent, joint venture, partner, or in any other capacity which may be authorized or approved by the Board of Directors of the Corporation;

SEC. 3.2 To transact business anywhere in the world;

SEC. 3.3 To have and exercise all rights and powers now or hereafter granted to a not-for-profit and tax exempt corporation by federal and state laws;

ARTICLE II (Continued)

- SEC. 3.4 To purchase, lease, exchange or otherwise acquire, own, deal in, sell, mortgage or otherwise encumber real property and personal property and any and all rights thereto and interest therein;
- SEC. 3.5 To acquire, hold, use sell, assign, lease, grant, mortgage, license or otherwise dispose of letters patent of the United States of America or any foreign country, patent rights, licenses and privileges, inventions, improvements and processes, copyrights, trademarks and trade names relating to or useful in connection with any business of this Corporation;
- SEC. 3.6 To acquire and pay for in cash, stocks or bonds of corporations, or otherwise, the goodwill, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation;
- SEC. 3.7 To acquire, subscribe for, hold, own, pledge or otherwise dispose of and vote shares of stock, bonds and securities of any corporation, domestic or foreign;
- SEC. 3.8 To borrow money and issue bonds, debentures, notes and evidence of indebtedness, and to secure the payment of or performance of its obligations by mortgage, deeds of trust, pledge or otherwise;
- SEC. 3.9 To lend money on the security of mortgages, deeds of trust, pledges of real and personal property, or without security;
- SEC. 3.10 To draw, make, accept, endorse, discount, execute or issue promissory notes, drafts, bills of exchange, warrants and other negotiable or transferable instruments;
- SEC. 3.11 To enter into and make, perform and carry out contracts of every kind and description made for any lawful purpose, without limit as to amount, with any person, firm, association, or corporation, either public or private and;
- SEC. 3.12 The foregoing clauses shall be construed both as objects and powers, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of the Corporation.
- SEC. 4 The sites at which the AAI operations and activities are to be conducted are global in nature; therefore, AAI Meetings may be convened anywhere in the world its members are permitted to freely travel and assemble under the laws of their respective countries.

ARTICLE III

MEMBERSHIP

- SEC. 1 The membership of AAI shall consist of: Member entities, represented by their designated Voting Members who are authorized and qualified to hold Offices and vote on AAI affairs; and by Associate Members not qualified to hold Offices and not eligible to vote on AAI affairs except as a proxy of a Voting Member; and other classes of members as may be specified in the Bylaws.
- SEC. 2 The grades of membership, qualifications for each and the requirements for admission and severance of members shall be as specified in the Bylaws.

ARTICLE IV

OFFICERS AND BOARD OF DIRECTORS

- SEC. 1 There shall be a Board of Directors, which shall be the governing body of the AAI, shall manage its affairs and property and shall consist of Officers elected, from, among and by the Voting Members, in the manner further provided in the Bylaws.
- SEC. 2 The Board shall consist of a President, Executive Vice President, Deputy Vice President, Secretary, Treasurer and Industry Liaison Officers. The number of Officers may be increased or decreased by the Voting Members; but in no event shall the number of Officers be less than three (3) nor less than the minimum prescribed by statutory law.
- SEC. 2.1 The Offices of Secretary and Treasurer may be merged, from time to time, into a single Office designated as Secretary/Treasurer.
- SEC. 3 Officers may not succeed themselves to the same Office (except under unusual circumstances as may be provided in the Bylaws) but may succeed to another higher or lower Office. Officers shall not hold concurrently more than one (1) Office except on a pro tempore basis or as otherwise provided in this Constitution or in the Bylaws
- R SEC. 4 The elective term for all Offices shall be three (3) years; their elective terms of Office shall begin on the first (1st) day following their election and shall expire at the end of the third (3rd) calendar year following the annual meeting of their election,
- SEC. 5 If Officers for any Office have not been elected on the day designated by statutory law, or fixed in the Bylaws, the Corporation shall not for that reason be dissolved. All duly authorized Officers shall continue to hold Office and discharge the duties of their Offices until a successor is elected or appointed by the seated Board.
- SEC. 6 Neither AAI Officer nor member shall receive, directly or indirectly, any salary or emolument from the AAI either as an Officer or a member or in any other capacity. Further, no traveling expenses or other compensation from the AAI shall be provided to any Officer or member unless for purposes specifically authorized in the Bylaws

ARTICLE IV (Continued)

- SEC. 7 Officers shall disqualify themselves from voting on any AAI issues, matters or business, which may result in an actual or potential conflict of interest.
- SEC. 8 No Officer shall be interested, directly or indirectly, in any contract relating to the operation of the AAI or in any contract furnishing supplies or services thereto unless specifically authorized in the Bylaws.

ARTICLE V

NOMINATION AND ELECTION OF OFFICERS

- SEC. 1 AAI Offices shall be open to all Voting Members who meet the qualifications as set forth in the Bylaws.
- SEC. 2 The manner of balloting and the majority required to nominate and elect Officers shall be as specified in the Bylaws.
- SEC. 3 The existence of vacancies on the Board shall be determined by the Board in accordance with the Bylaws. Any vacancy which occurs, during the period following an Annual Assembly and prior to an AAI Meeting, by death, resignation, removal, disqualification or otherwise, may be filled by a pro tempore Officer appointed by the Board. At the next AAI Meeting following appointment and where a quorum of Voting Members is present, an appointee shall be either confirmed, or replace in accordance with the Bylaws.

ARTICLE VI

REMOVAL OF OFFICERS

- SEC. 1 Any Officer may be removed from Office by the Voting Members whenever, in their judgment, the best interests of the AAI would be served thereby.
- SEC. 2 To remove any Officer, all Voting Members must be notified of the Officer subject to removal, and the reasons therefore, at least forth-five (45) days prior to the stipulated meeting at which the removal vote shall be taken. The same number and plurality of votes required to elect an Officer shall be also applied to effect the removal of an Officer.

ARTICLE VII

MANAGEMENT

- SEC. 1 The President shall be the Chairman and regular presiding Officer at all AAI Meetings, Board Meetings, and such other meetings as may be called from time to time by the President or Voting Members, as may be provided in the Bylaws. The President shall have the right to appoint and dissolve Committees and shall be an ex-officio member of each ad hoc or standing Committee. The President shall have no vote on the Board unless the vote's cast by the other Board Members are equally divided.
- SEC. 1.1 The duties and responsibilities of the President shall include those specifically enumerated in the Bylaws.
- SEC. 2 The Executive Vice President shall assume the duties of President in the event of the President's absence, inability or refusal to act and, when so acting, shall have all of the powers of and be subject to all the restrictions placed upon the President. The Executive Vice President shall perform such other duties as may be specified in the Bylaws and as may be assigned, from time to time, by the President.
- SEC. 3 The Deputy Vice President shall act as Executive Vice President pro tempore in the event of the Executive Vice President's absence, incapacity or refusal to act, or when the Executive Vice President is acting as President pro tempore and, when so acting, shall have all of the powers and be subject to all of the restrictions placed upon the Executive Vice President. The Deputy Vice President shall perform such other duties as may be specified in the Bylaws and as may be assigned, from time to time, by the President.
- SEC. 4 The Secretary shall be responsible for the preparation for all meetings, as provided in the Bylaws. This Officer shall also be responsible for causing the minutes of all meetings and activities of the AAI to be recorded, disseminated and filed; and to maintain a list of the names and addresses of all members; and to see that all notices are duly given in accordance with statutory law and/or as required by this Constitution and the Bylaws.
- SEC. 4.1 The Secretary shall be custodian of the Corporate Seal and the Corporate Records and shall be responsible for the provision of such information from the Records as is requested by the President, Board or Voting Members. In general, the Secretary shall perform all duties incident to the Office of Secretary in addition to such other duties as may be specified in the Bylaws and as may be assigned, from time to time, by the President.
- SEC. 5 The Treasurer, acting under the control of the Board, shall have general supervision of the fiscal affairs of the AAI and shall be responsible for keeping the records thereof.
- SEC. 5.1 If required by the Board or Voting Members, the Treasurer shall give a bond, at the expense of the Corporation, for the faithful discharge of duties of the Office and said bond shall be in such sum and with such surety as shall be determined by the Board.

ARTICLE VII (Continued)

- SEC. 5.2 The Treasurer shall have charge and custody of and be responsible for depositing all funds of the AAI in a bank, or banks, to be approved by the Board; and shall receive and give receipts for all funds due and payable to the AAI from any source whatsoever. The manner of withdrawing said funds shall be as stipulated in the Bylaws.
- SEC. 5.3 The Treasurer shall also be responsible for effecting an annual audit of financial records of the AAI and ensuring all statutory filings are accomplished, including, but not limited to, annual or special tax returns and license renewals. At the request of the President, or by a vote of the Voting Members, the Treasurer's accounts and bookkeeping records shall be audited, at the expense of the Corporation, by a Certified Public Accountant.
- SEC. 5.4 In general, the Treasurer shall perform all duties incident to the Office of the Treasurer and such other duties as may be specified in the Bylaws and as may be assigned, from time to time, by the President.
- SEC. 6 The Industry Liaison Officer(s) is responsible for establishing intercourse with other industry groups and organizations supported by the AAI so as to ensure that any joint activities are properly coordinated.
- SEC. 6.1 In general, the Industry Liaison Officer(s) shall perform all duties incident to the Office of Industry Liaison Officer and such other duties as may be specified in the Bylaws and as may be assigned, from time to time, by the President.
- SEC. 7 Any Officer serving in an elected Office pro tempore shall serve only until the disability of the duly elected or appointed Office holder is relieved or until that Office is next open for election, at which time the Officer so serving may be elected to that Office for a full term.
- SEC. 8 A quorum of the Board shall be at least three (3) Officers if the President is present; or, one-half (1/2) of the total number of seated Officers (rounded upward to the nearest whole number) plus one (1) if the President is absent, but in no event less than three (3) Officers. A quorum of the Board shall be present at any Board Meeting, which is convened to conduct the business affairs of the AAI.
- SEC. 9 The manner of acting by the Board shall be such that the act of the majority of the Officers present, at any Board Meeting which constitutes a quorum, shall be the act of the Board, unless the act of a greater number is required by law or is otherwise specified in this Constitution or in the Bylaws.
- SEC. 10 The Board may make, amend, or revoke Bylaws of the AAI. A resolution stating the proposed Bylaw changes and the reasons therefore shall be made known to all Board Members at least one (1) month prior to the stipulated Board Meeting at which the vote is to be taken. Notification may be waived in accordance with SEC. 12 of this ARTICLE VII.

ARTICLE VII (Continued)

- SEC. 10.1 Two-thirds (2/3) of all votes cast by the Board shall be required to approve any new Bylaw, Bylaw amendment, or Bylaw revocation, except when in conflict with statutory law or this AAI Constitution; in such case the point in conflict shall be immediately rectified or become void without a vote or further action by the Board.
- SEC. 10.2 The results of the vote shall be tallied and recorded by the Secretary or, in the Secretary's absence, an Officer designated by the President. If the percentage of votes favoring passage of the resolution results in a fractional integer, the integer shall be rounded upward to the nearest whole number before determining if the two-thirds (2/3) majority required for passage has been achieved. The President shall declare the final result of the vote.
- SEC. 11 Any action required to be taken by the Voting Members, to satisfy statutory law or comply with the legal provisions of this Constitution or the Bylaws, may be taken by means of a resolution of the Board setting forth the action to be taken and sent to all Voting Members on a ballot to be signed and returned to the Secretary by the time and at the place specified thereon. A simple majority vote of approval by those Voting Members returning the signed resolutions shall be sufficient for the Board to effect the required action.
- SEC. 12 In general, the conditions of SEC. 11 hereof shall apply to similar legal actions required to be taken by the Board; however, due to the global nature of AAI and the necessity to act promptly on certain statutory issues that may have an affect on the AAI, the President may call special Board Meetings to be held by tele-conferences or email correspondences and the provisions of Sections 8 and 9 of this ARTICLE VII shall apply.
- SEC. 12.1 When such Board Meetings are to be called, each Board Member shall be notified, by the most expeditious means, on the day prior to the special Board Meeting. A quorum of the Board, as provided herein, must be available to conduct any such special Board Meeting.
- SEC. 12.2 In the event the Secretary is not available for a tele-conference Board Meeting, the President shall appoint a person to take minutes of the special Board Meeting; such minutes shall be promptly provided to the Secretary to disseminate, to each Director, as soon as practicable. Any Board action, which requires ratification by the Voting Members, shall be submitted for ratification at the first AAI Meeting, following the Board Meeting, at which a quorum of Voting Members is present; or, if urgent, the action outlined in SEC. 11 hereof shall be taken.
- SEC. 13 Unless otherwise provided in the Bylaws, all Committees and Committee Chairmen shall be appointed by the President and shall function under the control of the Board in such manner as the Board may designate, and shall terminate when so determined by the President.
- SEC. 14 The Board may authorize establishment of Chapters and/or Affiliate Groups of members, in accordance with the Bylaws, to promote the objectives and interests of the AAI. At its discretion, the Board may terminate the existence of any such Group.

ARTICLE VII (Continued)

- SEC. 15 In addition to the Officers so authorized by this Constitution and the Bylaws, the Board may authorize any Officer or Officers, agent or agents of the AAI, to enter into any contract or execute and deliver any instrument in the name of and in behalf of AAI, and such authority may be general or confined to specific instances.
- SEC. 16 The Board shall have the authority to accept, engage, or hire for payment the services of any person, consultant, association, organization, or independent contractor as may be necessary to ensure the orderly and continuing operations of the Corporation and its business affairs, so long as no conflict of interest is involved.
- SEC. 17 The private and/or corporate property of the Officers and members of AAI shall be forever exempt from any debt or lien or obligation or encumbrance whatsoever of the AAI.
- SEC. 18 The Fiscal Year of the AAI shall be the calendar year unless otherwise specified in the Bylaws.

ARTICLE VIII

MEETINGS

- SEC. 1 There shall be at least one (1) meeting of which shall be designated as the Annual Assembly. The specific dates, times and places of the AAI meetings shall be as specified by the Board and/or in accordance with the Bylaws. The President, acting alone, upon a request of the Board or a petition of the Voting Members may call additional AAI Meetings.
- SEC. 1.1 A written request to the President, endorsed by one-third (1/3) of the Board, shall be sufficient to have the President call an additional or special AAI Meeting. The request may be conveyed to the President by any expeditious means of written communication.
- SEC. 1.2 Voting Members may call additional or special AAI Meetings by sending to the President a petition stating the reason for the AAI Meeting and signed by at least one-fifth (1/5) of the Voting Members. Upon receipt of the petition the President shall advise the Voting Members of the date, time and place for the AAI Meeting.
- SEC. 2 There shall be an Annual Board Meeting immediately prior to the Annual Assembly, at which time the Officers elect, announced at the Annual Assembly, shall also be present. All Board Members shall be notified of the date, time and place of the Annual Board Meeting as further provided in the Bylaws.
- SEC. 3 Additional or special Board Meetings may be called by the President or shall be called by the President upon receipt of a written or verbal request endorsed by a simple majority of the Board exclusive of the President.

ARTICLE VIII (Continued)

SEC. 4 AAI Meetings shall be open to all members of the AAI and their interested guests, persons from the media and persons from government agencies; however, unless otherwise authorized or requested, as further provided in the Bylaws, only Voting Members and Associate Members shall be permitted to address the members and participate in the general activities of the AAI Meeting.

ARTICLE IX

DUES AND FEES

SEC. 1 Dues and fees shall be as specified in the Bylaws.

SEC. 2 No dues or fees may be assessed to any member, guest, person from the media or person from a government agency, solely for the purpose of attending an AAI Meeting.

ARTICLE X

AMENDMENTS

SEC. 1 Amendments to this Constitution may be made only by a vote of ratification by the Voting Members, in response to a resolution stating the proposed Amendment and submitted to the Voting Members by the Board.

SEC. 2 A resolution for an Amendment may be proposed either by the Board or by means of a petition submitted to the Board by the Voting Members.

SEC. 2.1 Prior to placing a Board proposed resolution for Amendment on a ballot, the resolution shall require the favorable vote of at least two-thirds (2/3) of those Officers present at the Board Meeting at which a quorum is present and said vote is taken.

SEC. 2.2 To place a Voting Member proposed resolution for Amendment on a ballot, a petition, signed by at least one-fifth (1/5) of the total number of Voting Members, as listed in the official records of the AAI at the end of the previous calendar year, shall be submitted to the Board. A separate resolution shall be submitted for each Article proposed for Amendment.

SEC.3 If a proposed Amendment is determined to be lawful, it shall be placed on a ballot and copies of the ballot shall be mailed (either via mail service or electronic methods (email)) to each Voting Member at least forty-five (45) days prior to the date designated for the counting of ballots.

SEC. 3.1 All ballots shall be returned to the Secretary and must be received by the Secretary at the designated address at or before 12 o'clock noon on the date shown on the ballot; said date shall be at least (2) days prior to the actual counting date and time.

ARTICLE X (Continued)

- SEC. 4 If the total ballots cast is equal to at least one-third (1/3) of the total number of Voting Members to whom ballots were mailed, and at least three-fourths (3/4) of the votes cast and counted are favorable, the proposed Amendment shall be adopted.
- SEC. 5 The Secretary shall notify all Voting Members, by any expeditious means, as soon as practicable after adoption of any Amendment.
- SEC. 6 Amendments to this Constitution shall take effect immediately upon adoption; however, if by Amendment Officers are changed in status or their number is reduced, each Officer shall continue in Office until expiration of the term for which appointed or elected.
- SEC. 7 Unless a vote of the Voting Members is required by statutory law, any Article or Section of this Constitution found to be contrary to statutory law, by virtue of existing or subsequent changing of statutory law, shall be void and shall be repealed or rescinded with no further action by the Board or Voting Members; however, all lawful Articles and Sections of this Constitution shall remain in full force and effect.

ARTICLE XI

DISTRIBUTION OF ASSETS UPON DISSOLUTION

- SEC. 1 If for any reason the AAI is dissolved or ceases to exist, its assets shall be distributed as provided in the AAI Articles of Incorporation consistent with statutory laws regulating not-for-profit Corporations. No member, Member or individual from a Member entity, or AAI Officer shall under any circumstances receive any AAI assets upon dissolution of the Corporation.
- SEC. 2 Where statutory law permits the Board to exercise options as to the disposition of assets, the Board shall endeavor to transfer all residual assets to a not-for-profit and tax exempt organization having objectives similar to those of the AAI.