

BYLAWS
OF
SOCIETY OF EXPERIMENTAL TEST PILOTS FOUNDATION

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(Revised 4/18/08)**

ARTICLE 1. GENERAL MATTERS

1.1 Name. The name of the organization shall be the SOCIETY OF EXPERIMENTAL TEST PILOTS FOUNDATION (this “Corporation”).

1.2 General Purpose. The general purpose for which this Corporation is organized is to engage in any lawful act or activity for which a corporation may be organized under the Nonprofit Public Benefit Corporation Law of California; provided, however, nothing in this Section 1.2 shall be construed to authorize this Corporation to carry on any activity for the profit of its officers, Directors or other persons or to distribute any gains, profits or dividends to any of its officers, Directors or other persons as such. Furthermore, nothing in this Section 1.2 shall be construed as allowing the Corporation to engage in any activity forbidden under Section 501(c)(3) of the Internal Revenue Code (the “Code”). This Corporation is organized, and at all times hereafter shall be operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of, the SOCIETY OF EXPERIMENTAL TEST PILOTS, a California nonprofit corporation (the “Parent Organization”).

1.3 Specific Purpose. Within these broad purposes, the specific goals and objectives of Corporation shall be as follows:

- a. receiving funds, articles, memorabilia, written records, oral records, reports, photographs and other artifacts of historical significance relating to test pilots and their profession;
- b. conducting educational symposia and disseminating educational materials in the form of periodical publications, symposium proceedings, books and multimedia presentations;
- c. enhancing the professional knowledge of test pilots, astronauts, cosmonauts and other aerospace professionals in the field of research and development for the purpose of increasing the safety and efficiency of flight test; and
- d. documenting the history and accomplishments of test pilots and related data, and preserving the history of the Parent Organization, and other pilots and flight crew who have contributed to the knowledge and advancement of the flight test profession including all research and development activities.

The purposes shall also include the preservation, display, and safekeeping of such history and use of the historical archives and data to support the efforts of education and flight test safety for the future generations of flight test personnel. The Corporation may develop and maintain facilities, equipment and other items necessary for the accomplishment of the stated goals.

1.4 Public Purpose. This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall

consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

1.5 Prohibited Activities. This Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above in Section 1.4.

1.6 Time of Annual Board of Directors Meeting. The annual meeting of the Board of Directors (the “Board”) shall be held on September 1 or such other date as the Board may agree upon from time to time. The place and hour of the meeting shall be designated by the Board.

1.7 Fiscal Year. The Corporation’s fiscal year shall end on that date as may be fixed from time to time by Directors.

ARTICLE 2. OFFICES

2.1 Principal Place of Corporation Administration. The principal place of administration of the Corporation shall be 44814 North Elm Avenue, Lancaster, California 93534.

2.2 Other Offices. The Corporation may have such other offices, either within or without the State of California, as the Board may from time to time designate.

ARTICLE 3. BOARD OF DIRECTORS

3.1 Number, Tenure and Qualifications. The initial number of Directors of the Corporation shall be as set forth in the initial minutes of the incorporator; but if the minutes of any meeting of Directors should indicate that a larger number have been appointed, then these Bylaws shall be considered to have been amended to conform to the number set forth in the minutes. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. Directors need not be residents of the State of California.

3.2 Appointment; Term of Office. All Directors shall be appointed by the Board of Directors of the Parent Organization or its written designee. All Directors shall hold office for a regular term of three years, and, in any case, until their respective successors are appointed. The terms of the initial Directors shall be staggered to expire in one, two, and three years from the date of formation of the Corporation. A minimum of three Directors shall be appointed each year. The initial term of any Director shall be adjusted to expire in a year then having the lower number of Directors to be replaced or reappointed. Those Directors shall have subsequent three-year terms as deemed necessary by the Board of Directors of the Parent Organization.

3.3 Vacancies; Term. Except as otherwise provided by law and subject to the provisions of Section 3.1 above, vacancies on the Board, and newly created Directorships resulting from an increase in the authorized number of Directors, shall be filled by the Parent

Organization or its written designee. A Director appointed as a result of a newly created Directorship shall serve for a term of three years, and, in any case, until his or her respective successor is appointed, subject to Section 3.4 below.

3.4 Resignation; Removal. Any Director may resign at any time by delivering written notice of his or her resignation to the Secretary of the Corporation, or in the alternative to the Chairman of the Corporation. The resignation shall be effective upon receipt by the Secretary or the Chairman, as the case may be. Any Director may be removed from office with or without cause by a vote of two-thirds (2/3) of the Board and the written approval of the Parent Organization's Board of Directors.

3.5 Powers. The operations and activities of the Corporation shall be managed by the Corporation's Board. The Board shall exercise all of the powers of the Corporation and shall have the following powers:

(a) The Board may adopt such rules and regulations for the conduct of its meetings and the management of the Corporation as it deems proper, provided that such rules and regulations are not inconsistent with federal and state laws and the Treasury Regulations issued under Sections 501(c)(3) and 509(a)(1) of the Code, the Articles of Incorporation, or these Bylaws.

(b) The Board may employ a manager, independent contractor, or such other employee or employees as the Board deems necessary, and may prescribe the duties of each, and may pay reasonable compensation to each such individuals for their services. The Board may also employ agents and attorneys as the Board deems necessary or desirable for the proper management of the Corporation or for any litigation, controversy, or uncertainty which may arise in connection with the Corporation. The Board may pay reasonable compensation to agents and attorneys for their services and be fully protected in relying on advice of legal counsel. The Board is authorized and encouraged to retain the services of a qualified financial advisor.

(c) The Board may modify any restriction or condition on the distribution of funds to effect Corporation purposes if, in the sole judgment of seventy-five percent (75%) of the Board where a quorum is present, such restrictions or conditions become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs or the purposes of the Corporation.

3.6 Committees. By resolution adopted by a majority of the Board, the Board may create various committees comprised of current Directors, including an executive committee of the Board. The creation of any such committee and the delegation of authority thereto shall not relieve the Board, or any member thereof, of any responsibility imposed by law. No committee, executive or otherwise, shall have the authority of the Board to: (a) amend the Articles of Incorporation or these Bylaws; (b) adopt a plan of merger or consolidation; (c) elect or remove any Director; (d) authorize or enter into a sale, lease or exchange or other disposition of all or substantially all of the property and assets of the Corporation; (e) adopt a plan for the distribution of the assets of the Corporation; or (f) authorize the voluntary dissolution of the Corporation or revoking proceedings therefor. Each committee appointed under this Section 3.6 shall keep regular minutes of each of its meetings.

3.7 Meetings. A meeting may be held by means of a telephone conference or similar communications equipment whereby all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting.

3.7.1 Annual Board Meeting; Regular Meetings. The usual place, day and hour for the annual Board meeting for the transaction of such business as may come before the Board shall be as provided in Section 1.6, or at such other place (within or without the State of California), date, and time as may be designated in a notice of annual meeting; provided, however, that if such day is a legal holiday, the meeting shall be held at the same time and place on the next succeeding day which is not a legal holiday.

Other regular meetings of the Board may be held at such place and on such day and hour as shall from time to time be fixed by resolution of the Board.

3.7.2 Special Meetings. Special meetings of the Board may be held at any time whenever called by the Chairman or a majority of the Board. Special meetings shall be held at such date, place, and time as may be determined by the Chairman or the Board, or as shall be stated in the notice of special meeting if the Chairman or the Board has not fixed the date, place, and time for holding special meetings. Only business specified in a notice of special meeting shall be transacted at such meeting; provided, however, any business which might have been transacted if the meeting had been duly called may be transacted at a special meeting where all Directors are present.

3.8 Notice of Meetings. Eight (8) weeks' notice of the annual Board meeting shall be required.

Notice of the time and place of all meetings of the Board other than the annual meeting shall be provided by the Secretary, or by such other person calling the meeting, by mail, facsimile transmission ("fax"), or by personal communication over the telephone, at least three (3) weeks prior to the day on which the meeting is to be held; provided, that no notice of any regular meeting need be given if the time and place thereof shall have been determined by resolution of the Board and a copy of such resolution has been provided to every Director at least three (3) weeks before the meeting held in pursuance thereof.

Notices sent by mail shall be deemed given three (3) days after the date of deposit in the mail, first class postage prepaid. Notices sent by fax shall be deemed given on the date of transmission confirmation by a transmission or transaction report or otherwise. Notice of a special meeting shall state the purpose for which the meeting is called and what business is proposed to be transacted, except as provided in Section 3.7.2 above.

Notice of any meeting of the Board need not be given to any Director if it is waived by him or her in writing or by fax, whether before or after such meeting is held. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting has not been convened in accordance with the terms of Section 3.7 or 3.8, or both, and he or she gives written notice of his or her objection to the Secretary prior to the commencement of the meeting.

3.9 Quorum. Two thirds of the Directors or more, represented in person or in accordance with Section 3.7, shall constitute a quorum for the transaction of business. Each Director shall be entitled to one vote. If a quorum is present, the action of the majority of the Directors present shall constitute action of the Board, except as otherwise specifically provided herein. The Directors present at a duly convened meeting may continue to transact business until adjournment even though a sufficient number of Directors may have withdrawn such that the remaining Directors no longer constitute a quorum. If at any meeting of the Board there shall be less than a quorum present, a majority of those Directors present may adjourn the meeting and reconvene once a quorum is obtained, and no further notice of such reconvening need be given other than by announcement at the meeting which shall have been so adjourned. Any Director present by telephone shall be included in determining whether a quorum is present.

3.10 Voting Requirements for Certain Actions by Directors. The affirmative vote of at least seventy-five percent (75%) of the Board at any annual or special meeting of the Board shall be required to approve the distribution of assets as authorized in the Articles of Incorporation upon dissolution of the Corporation. Notice of such meeting shall be provided in accordance with the terms of Section 3.8 and shall specifically set forth the subject of the action or actions to be approved. In lieu of a vote at a meeting to approve such an action or actions, such action or actions may be approved by the written unanimous affirmative vote of all Directors.

3.11 Action Without a Meeting. Any action taken or to be taken at a meeting of Directors or of a committee may be taken without a meeting if consented to in writing and signed by all Directors, or all members of the committee, as the case may be. For the purposes of this Section only, “all Directors, or all members of the committee” shall not include any “interested Director” as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such written consent shall have the same effect as a unanimous vote, and shall be included in the minute book as minutes of a Board meeting.

3.12 Compensation. By resolution of the Board, Directors may be reimbursed for their expenses, if any, of attendance at each meeting of the Board, and may be paid a reasonable sum for attendance at each meeting of the Board or reasonable compensation as Director. Directors may be compensated for rendering services to the Corporation in a capacity other than a Director, provided such compensation is reasonable and further provided that not more than forty-nine percent (49%) of the persons serving as Directors may be “interested persons,” as defined in Section 5227 of the California Nonprofit Public Benefit Corporation Law or any successor provision. “Interested Persons” means:

(a) Any person currently being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

(b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

3.13 Presumption of Assent. A Director who is present at a meeting of the Board at which action on any Corporation matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE 4. OFFICERS

4.1 Officers. The Officers of the Corporation shall be a Chairman and Vice Chairman, both of whom shall be Directors, a Secretary and a Treasurer, all of whom shall be appointed, except as otherwise provided in this Article 4, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of Chairman and Secretary. In addition, one or more Vice Chairmen, Vice Presidents, Assistant Secretaries and Assistant Treasurers may be appointed or elected from time to time, as the case may be. Except as provided herein, an Officer of the Corporation must be a Director. The Officers shall serve for a term of one year, if appointed, or until the next annual meeting or special meeting called for such purpose, if elected, and, in any case, until their successors are appointed or elected and qualified.

4.2 Vacancies; Term. Vacancies in any office shall be filled by a majority of the Board at any meeting of the Board. An Officer appointed or elected to fill an existing vacancy shall be appointed or elected to serve for the unexpired term of his or her predecessor, as the case may be.

4.3 Resignation; Removal. Any Officer may resign at any time by delivering written notice of his or her resignation to the Secretary of the Corporation, or if the Secretary is unavailable, to the Chairman of the Corporation. The resignation shall be effective upon receipt by the Secretary or the Chairman, as the case may be. Any Officer may be removed from office with or without cause by a vote of a majority of the Board.

4.4 Other Officers and Agents. The Board may appoint by a majority vote such other Officers as it deems necessary or expedient, who shall hold their offices for such terms, and shall exercise such powers and perform such duties, as shall be determined from time to time by the Board.

4.5 Powers and Duties.

4.5.1 Chairman. The Chairman shall be the chief executive officer of the Corporation and shall preside at all meetings of the Board and of any executive committee and shall be a member *ex officio* of all committees, with right to vote. The Chairman shall be the immediate past President of the Parent Organization as elected by its membership. **If the immediate past SETP President is unable to serve as the SETP Foundation Chairman, the Foundation Board of Directors shall elect a new Chairman to serve his term. (Revision #1 - Added by amendment 4/18/08)**

4.5.2 Vice Chairman. The Vice Chairman, if any, or if there shall be more than one, the Vice Chairmen in an order determined by the Board, shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

4.5.3 Secretary; Assistant Secretary. The Secretary shall attend all meetings of the Board and record all proceedings of the meetings of the Corporation and of the Board in a book to be kept for that purpose and shall perform like duties for the standing committees, when required. He or she shall perform such other duties as may be prescribed by the Board or Chairman, under whose supervision he or she shall serve. The Assistant Secretary, if any, or if there be more than one, the Assistant Secretaries in an order determined by the Board, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the board may from time to time prescribe.

4.5.4 Treasurer; Assistant Treasurer. The Treasurer shall make a report of the financial condition of the Corporation at each regular meeting of the Board and shall ensure the safekeeping of the books of account showing the financial transactions of the Corporation. In addition, the Treasurer shall be responsible for disbursing funds of the Corporation as may be ordered or permitted by the Board, taking proper vouchers for such disbursements, and shall render to the Chairman and the Board at its regular meetings or when the Board so requires, an account of all of his or her transactions as Treasurer. If required by the Board, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation. The cost of such bond shall be paid by the Corporation. The Assistant Treasurer, if any, or if there be more than one, the Assistant Treasurers in an order determined by the Board, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the board may from time to time prescribe.

4.6 Compensation. The compensation of the Chairman shall be determined by the Board. Unless delegated to the Chairman, the compensation of all other Officers shall be determined by the Board. The Board may authorize the Chairman to determine the compensation of one or more of the other Officers. In all cases, any salaries received by Officers of the Corporation shall be reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the public benefit purposes of the Corporation.

4.7 Fidelity Bonds. The Board may require some or all Directors, Officers, employees, and agents of the Corporation to furnish adequate fidelity bonds in such amount and with such surety as the Board shall prescribe. The premiums on such bonds (including those required to be furnished by the Treasurer and Assistant Treasurer) shall be paid by the Corporation.

ARTICLE 5. INDEMNIFICATION OF OFFICERS AND DIRECTORS

5.1 Indemnification. To the fullest extent permitted by law, the personal liability of a Director or an Officer of the Corporation shall be eliminated and the Corporation 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, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Director or an Officer of the Corporation against expenses (including attorneys' fees), judgments, fines, penalties, and amounts paid in settlement, actually and reasonably incurred by him or her, in connection with such action, suit or proceeding; provided, however, that the Corporation shall not indemnify a Director or an Officer, nor shall a Director's or an Officer's liability be eliminated, for acts or omissions that involve intentional misconduct by the Director or Officer, or a knowing violation of law by the Director or Officer, or for any transaction from which the Director or Officer will personally receive a benefit in money, property, or services to which the Director or Officer is not legally entitled. To the extent permitted by law, the Board may, from time to time, approve by general or specific action of the Board, or by contract, the indemnification of any other person. The indemnification provided by this Section 5.1 shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract.

5.2 Procedure. The determination of whether a Director or an Officer has met the standard of conduct necessary for indemnification by the Corporation under the circumstances shall be made in accordance with the provisions of California law.

5.3 Advance of Expenses. Reasonable expenses incurred by a Director or an Officer who is a party to a proceeding may be paid or reimbursed by the Corporation in advance of the final disposition of such proceeding:

(a) Upon receipt by the Corporation of a written undertaking by or on behalf of the Director or Officer to repay such amount if it shall ultimately be determined that such person has not met the standard of conduct necessary for indemnification by the Corporation as authorized by this Article 5; and

(b) Upon receipt by the Corporation of a written affirmation by the Director or Officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the Corporation as authorized in this Article 5.

The undertaking required by Section 5.3(a) shall be an unlimited general obligation of the Director or Officer, but need not be secured and may be accepted without reference to financial ability to make the repayment.

5.4 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or an Officer of the Corporation against any liability asserted against or incurred by him or her in that capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article 5 or the Articles of Incorporation.

5.5 Written Report. Any indemnification of a Director or an Officer in accordance with this Article 5, including any payment or reimbursement of expenses, shall be reported to the

Board with the notice of the next Board meeting or prior thereto in a written report containing a brief description of the proceedings involving the Director or Officer being indemnified and the nature of such indemnification.

ARTICLE 6. TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS

6.1 Prohibited Transactions. The Corporation shall not be a party to any contract or transaction:

(a) In which one or more of its Directors or officers has a material financial interest, or;

(b) With any corporation, firm, association, or other entity in which one or more Directors or officers has a material financial interest, or;

(c) With any corporation, firm, association, or other entity (other than a California nonprofit public benefit corporation) in which one or more of its Directors is a member; unless:

(1) The material facts concerning the contract or transaction and such Director's or Officer's financial interest or common Directorship are fully disclosed in good faith and are noted in the minutes;

(2) Prior to authorizing or approving the contract or transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantages arrangement with reasonable investigation under the circumstances or that the contract or transaction implements a charitable program of the Corporation;

(3) The Corporation enters into the contract or transaction for its own benefit;

(4) The contract or transaction is fair and reasonable to the Corporation or implements a charitable program of the Corporation at the time the contract or transaction is entered into; and

(5) Such contract or transaction is authorized or approved in good faith by a majority of disinterested Directors at the meeting with any interested Directors abstaining from voting, provided that majority has decision making authority under the quorum provisions of Section 3.9 of Article 3.

6.2 Material Financial Interest. A Director or Officer of this Corporation shall not be deemed to have a "material financial interest" in a contract or transaction:

(a) that fixes the compensation of a Director as a Director or Officer;

(b) that is authorized by the Board in good faith and results in a benefit to a Director or their families because they are in the class of persons intended to be benefited by the charitable program of this Corporation; or

(c) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one (1) percent of the gross receipts of the Corporation for the preceding year or \$100,000.

6.3 Loans to Directors and Officers. The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General of the State of California; provided, however, the Corporation may advance money to a Director or Officer of the Corporation for expenses reasonable anticipated to be incurred in the performance of duties of such Director or Officer, provided that in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

6.4 Interlocking Directorates. No contract or other transaction between the Corporation and any California nonprofit public benefit corporation of which one or more Directors are Directors is either void or voidable because such Director(s) are present at a meeting of the Board that authorizes, approves, or ratifies the contract or transaction, if the material facts as to the transaction and as to such Director's other Directorship are fully disclosed to the Board, and the Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote of disinterested Directors at the meeting (subject to the quorum provisions of Article 3), or if the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved, or ratified.

6.5 Duty of Loyalty; Construction with Article 5. Nothing in this Article shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation. Furthermore, nothing in this Article shall be construed to override or amend the provisions of Article 5. All conflicts between the two articles shall be resolved in favor of Article 5.

ARTICLE 7. ADVISORY BOARD

The Board shall have the power and authority, from time to time, to convene and dissolve an advisory board consisting of individuals sharing the goals and purposes of the Corporation. Each member of the Advisory Board, prior to appointment, shall execute a written instrument acknowledging and accepting the Corporation's statement of purposes as provided in Section 1.2 above.

The members of the Advisory Board shall have the privilege of participating in meetings and deliberations of the Board in an advisory capacity; provided, that the Advisory Board shall have no management authority or duties and shall have no right to vote on any matters before the Board. By resolution of the Board, members of the Advisory Board may be reimbursed for their expenses, if any, of attendance at each meeting of the Board.

ARTICLE 8. ADMINISTRATION OF PROPERTY AND INDEBTEDNESS

8.1 General Powers. The Board shall exercise good faith and ordinary care in all matters relating to the acquisition, holding, management, control, supervision, investment, and disposition of property of the Corporation.

8.2 Scope of Holding. Any property of any kind or nature whatsoever may be acquired by the Corporation and may be administered directly by the Corporation or transferred to the Parent Organization or to any agent, bank or trust company or investment advisor for management and/or directing the investment of funds.

8.3 Receipt of Gifts. Voluntary gifts, donations, contributions, devises and bequests of all manner of property may be accepted subject to any proper conditions of the donor as to administration, from any source, to enable the Corporation to effectuate its purposes.

8.4 Uses of Assets. All property and money given, advanced or loaned to the Corporation, or otherwise received by it, shall be sold, held, invested, granted or used, from time to time, for the authorized purposes of the Corporation, including payment of principal and interest on its debts and payment of its administration and operating expenses. The property of this Corporation is irrevocably dedicated to charitable or educational purposes, or any other purposes permitted under Section 501(c)(3) of the Code. No part of the net income or assets of this Corporation shall ever inure to the benefit of any Director or Officer thereof or to the benefit of any private person; provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the Corporation in effecting any of its public purposes, as long as such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on the dissolution of the Corporation.

8.4 Distribution of Assets Upon Dissolution. Upon the dissolution or winding up of this Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, scientific or educational purposes and which has established its tax exempt status under Section 501(c)(3) of the Code.

ARTICLE 9. GIFTS TO CORPORATION

9.1 Charges. Reasonable charges and expenses of counsel for advice, drafting and attendance at proceedings dealing with acceptance and/or administration of any gift may be charged to each such contribution.

9.2 Variances. If the direction of a donor would, if followed, result in a use contrary to the charitable purposes of the Corporation, or if counsel advises that there is a substantial risk of such result, the direction shall not be followed, but shall be varied by the Board so far as it deems necessary to avoid such results. Any such variance shall require an affirmative vote of sixty percent (60%) of the Board.

9.3 Administrative Variance. If the Board determines, because of experience, changed circumstances or conditions, that a donor direction concerning investment or administration has proved impractical, unreasonable, erroneous or impedes proper investment or administration of the fund, it may order such variance as it deems necessary. Any such variance shall require an affirmative vote of seventy-five percent (75%) of the voting Board.

9.4 Variance of Purposes. If the Board determines that conditions or circumstances are or have become such that literal compliance with a direction of a donor is unnecessary, undesirable, impractical, impossible, or inconsistent with law or regulations or properly serving the charitable purposes of the Corporation it may, by a affirmative vote of sixty percent (60%) of the Board, order variance from such direction and apply the whole or any part of said fund, principal or income to such other charitable purposes as it deems will more effectively meet such needs.

9.5 Conclusive Presumption. It shall be conclusively presumed from the making of a gift to the Corporation that each donor is aware of, accepts and agrees to be subject to all the terms of the Articles of Incorporation, these Bylaws, and the rules and regulations governing the Corporation as they exist at the time of receipt of the gift, and as they may in the future, from time to time, be lawfully amended, including without limitation all provisions relating to presumption of donor's intent, variance from donor's direction, amendments and termination.

9.6 General Requirements. The Corporation shall not accept a transfer of assets to the Corporation which imposes a restriction or condition preventing the Corporation from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its exempt purposes. The Corporation shall adhere to the guidelines and regulations of the Internal Revenue Service with respect to advised funds and assets of the Corporation.

Donors may make gifts to the Corporation by naming or otherwise identifying the Corporation. Any donor may, with respect to a gift made by such donor to the Corporation, make recommendations at the time of the gift as to: (a) the field of charitable purposes or particular purposes to be supported; (b) manner of distribution, including amounts, times and conditions of payments and whether from principal and/or income; (c) geographical limits of the gift; (d) a name as a memorial or otherwise for a fund given, or addition to a fund previously held, or anonymity for the gift; and (e) reasonable limits on or additions to investment or administrative powers of a bank or trust company having custody of the gift for the Corporation.

9.7 Investment and Management Advisors. Any fund or funds or property of any kind or nature whatsoever which may be acquired by the Corporation from any source whatsoever may be transferred by the Board for the purposes of management and investment to any bank, trust company or investment advisor, or other appropriate institution approved by an executive committee and/or an investment committee of the Corporation, or as may be otherwise determined by the Board.

ARTICLE 10. DISTRIBUTION AND DISBURSEMENT OF GIFTS

At a meeting or meetings where a quorum is constituted, a majority of the Board shall, from time to time, determine distributions to be made from net income, with the right to

encroach upon principal, pursuant to the provisions of the Articles of Incorporation of the Corporation and these Bylaws. The Board shall consider the charitable needs of the Parent Organization, the charitable purposes of the Corporation, and the donor's recommendation in authorizing or directing the respective banks or trust companies or investment advisors having custody of funds of the Corporation to make payments. The Board may direct payments to be made in such amounts and at such times and with such accompanying restrictions as it deems appropriate to carry out the charitable purposes of the Corporation.

The Corporation may promulgate guidelines enumerating specific charitable needs consistent with the charitable purposes of the Corporation.

ARTICLE 11. GIFTS FOR THE BENEFIT OF THE CORPORATION

11.1 Gifts for the Benefit of the Corporation. If a gift is made to a trustee in trust for the benefit of the Corporation with an intervening income interest to a non-charitable or other charitable use followed by a remainder or other payments to the Corporation, or of payments to the Corporation with the remainder or subsequent payments to another, or otherwise, only the payments or remainder to the Corporation, as the case may be, shall be regarded as Corporation funds subject to its Articles of Incorporation and Bylaws, and then only when the Corporation becomes entitled to their use.

11.2 Board Action. The Board may take all actions as it may from time to time deem desirable or necessary to protect the interests, contingent interests or future interests of the Corporation in funds designated for the use or benefit of the Corporation.

ARTICLE 12. AMENDMENT OF BYLAWS

These Bylaws may be amended, altered or repealed or new Bylaws adopted by the affirmative vote of seventy-five percent (75%) of the Board at any regular or special meeting of the Board, provided that the proposed alteration or amendment is contained in a notice of the meeting given in accordance with the terms of Section 3.8. In no event, shall the Board amend, alter, repeal or adopt any Statement of Policy in such a manner as to disqualify the Corporation as a qualified organization under Section 509(a)(1) of the Code. If a conflict arises between these Bylaws and the Articles of Incorporation, the Articles of Incorporation shall control and the Bylaws shall be deemed amended to so conform.

ARTICLE 13. NO MEMBERS

The Corporation shall have no members.

ARTICLE 14. MISCELLANEOUS

14.1 Rules of Order. The rules contained in the most recent edition of Robert's Rules of Order, Revised, shall govern all meetings of the Board where those rules are not inconsistent

with statute, the Articles of Incorporation, these Bylaws, or special rules of order of the Corporation.

14.2 Books and Records.

14.2.1 Records of Corporation Meetings. The Corporation shall cause to be kept complete records of all the proceedings of the Board.

14.2.2 Reliance on Board Action. Any person dealing with the Corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board when certified by the Chairman or Secretary.

14.2.3 Books of Account. The Corporation shall keep appropriate and complete books of account, and minutes of the proceedings of its Board.

14.3 Annual Report. The Board shall cause an annual report to be sent to each Director within one hundred and twenty (120) days after the close of the Corporation's fiscal year containing the following information:

(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;

(d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;

(e) A statement of any transaction (1) to which the Corporation, its parent, or its subsidiary was a party, (2) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (3) in which either of the following interested persons had a direct or indirect material financial interest (a mere common Directorship is not a financial interest):

(1) Any Directors or Officer of the Corporation, its parent, or its subsidiary;

(2) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent, or its subsidiary.

(f) The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

(g) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director of the Corporation under Article 6 of these Bylaws.

14.4 Directors' Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

14.5 Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its names unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

14.6 Deposits. All funds of the Corporation not otherwise applied shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may elect.

14.7 Checks. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officers of the Corporation and in such manner as shall be determined from time to time by resolution of the Board. Unless the resolution provides otherwise, checks shall be signed by the Treasurer or his or her designee.

14.8 Common Trust Funds. The Directors may establish one or more common trust funds for the purpose of furnishing investments to the Corporation, provided, that in the case of funds or property held as fiduciary, such investment must not be prohibited by the language of the will, deed, or other instrument creating such fiduciary relationship.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Society of Experimental Test Pilots Foundation, a California nonprofit public benefit corporation; that these Bylaws, consisting of sixteen (16) pages, are the Bylaws of this Corporation as adopted by the Board of Directors on January 18, 2007; and that these Bylaws have not been amended or modified since that date.

Executed on January 18, 2007 at Lancaster, California.

Philip W. Schultz
Acting Secretary