

10.6. Flying Clubs.

a. Definition. The FAA defines a flying club as a nonprofit entity (*e.g.*, corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only. (*See* 81 Fed. Reg. 13719 (March 15, 2016).

b. General. The ownership of the club aircraft must be vested in the name of the flying club or owned by all its members. The property rights of the members of the club shall be equal; no part of the net earnings of the club will inure to the benefit of any individual in any form, including salaries, bonuses, etc. The flying club may not derive greater revenue from the use of its aircraft than the amount needed for the operation, maintenance and replacement of its aircraft.

c. Policies. A flying club qualifies as an individual under the grant assurances and, as such, has the right to fuel and maintain the aircraft with its members. The airport owner has the right to require the flying club to furnish documents, such as insurance policies and a current list of members, as may be reasonably necessary to assure that the flying club is a nonprofit organization rather than an FBO or other commercial entity.

The FAA suggests several definitions and items as guidance for inclusion by airports in their minimum standards and airport rules and regulations. (*See* [Appendix O of this Order, *Minimum Standards for Commercial Aeronautical Activities*](#), and [Appendix P, *Sample Airport Rules and Regulations*](#). Note: Information in samples is for example only.) These items include:

- (1). All flying clubs desiring to base their aircraft and operate at an airport must comply with the applicable provisions of airport specific standards or requirements. However, flying clubs will not be subject to commercial FBO requirements provided the flying club fulfills the conditions contained in the stated airport standards or requirements satisfactorily.
- (2). Flying clubs may not offer or conduct charter, air taxi, or aircraft rental operations. They may conduct aircraft flight instruction for regular members only, and only members of the flying club may operate the aircraft.
- (3). A flying club may permit its aircraft to be used for flight instruction (1) in a club-owned aircraft as long as both the instructor providing instruction and person receiving instruction are members of the club owning the aircraft, or (2) when the instruction is given by a lessee based on the airport who provides flight training and the person receiving the training is a member of the flying club. In either circumstance, a flight instructor may receive monetary compensation for instruction or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and waived or discounted dues or flight time concurrently. The airport sponsor may set limits on the amount of instruction that may be performed for compensation.
- (4). A qualified mechanic who is a registered member and part owner of the aircraft owned and operated by a flying club may perform maintenance work on aircraft owned by the club. The mechanic may receive monetary compensation for such maintenance work or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and

waived or discounted dues or flight time concurrently. The airport sponsor may set limits on the amount of maintenance that may be performed for compensation.

(5). All flying clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the airport, except that said flying club may sell or exchange its capital equipment.

(6). A flying club at any airport shall comply with all federal, state, and local laws, ordinances, regulations and the rules and regulations of the airport.

(7). The flying club should file periodic documents as required by the sponsor, including tax returns, insurance policies, membership lists, and other documents that the sponsor reasonably requires.

(8). Flying clubs may not hold themselves out to the public as fixed based operators, a specialized aviation service operation, maintenance facility or a flight school and are prohibited from advertisements as such or be required to comply with the appropriate airport minimum standards.

Flying clubs may not indicate in any form of marketing and/or communications that they are a flight school, and flying clubs may not indicate in any form of marketing and/or communications that they are a business where people can learn to fly.

d. Violations. A flying club that violates the requirements for a flying club – or that permits one or more members to do so – may be required to terminate all operations as a flying club at all airports controlled by the airport sponsor.

10.7. Illegal Air Charters.

a. Definition. The FAA broadly recognizes “illegal air charters” as unauthorized air charter operations. Illegal Part 135 charters operate without meeting the safety requirements of a certificated air carrier. These include aircraft owners that in order to generate revenue, allow the use of their aircraft temporarily for charters or by management companies as a loaner without meeting the FAA requirements. An illegal air charter also can present as flight instruction or aircraft demonstration flights.

b. General Airport sponsors that suspect an illegal charter should discuss concerns or questions with local FAA Flight Standards District Office since the FAA is the investigator and final decision maker on aviation safety. The FAA does not want airport sponsors to investigate suspected illegal aeronautical activities such illegal air charters. The sponsors do not have the responsibility or expertise to conduct investigations of suspected illegal aeronautical activities.

Some airport sponsors have incorporated language in their tenant leases, airport rules and regulations, and minimum standards that prohibit illegal commercial aeronautical activities such as illegal charter operations. These airport documents contain language that:

1. Requires all users will abide by all FAA regulations and requirements while operating at the airport.

2. Requires tenants to provide listing of aircraft used for commercial activities and their owners.
3. Require copies of the current FAA-issued Air Operating Certificate if the tenant is a commercial operator. This helps ensure that the airport sponsor charges the appropriate rates and charges to the commercial operator.

10.8. through 10.10. reserved.