

**BY-LAWS
OF
ASSOCIATED BUILDERS & CONTRACTORS, INC.
CENTRAL MICHIGAN CHAPTER**

ARTICLE 1- IDENTIFICATION AND PURPOSES

SECTION 1. NAME. This association shall be known as Associated Builders & Contractors, Inc., Central Michigan Chapter.

SECTION 2. PURPOSES. The purposes for which this Association is formed and the business and objects to be carried out and promoted by it are as follows:

- A. To promote, advocate, and support the free enterprise system. By supporting, advocating and encouraging the "Merit Shop"/"Open Shop" concepts of conducting business.
- B. To object to and advocate against any employment practice that requires employees to belong to an association, labor union or other organization.
- C. To promote, advocate, and strongly support bidding practices that do not discriminate for or against a bidder on the basis of membership in an association, labor union, or other employee/employer organization.
- D. To advocate and strongly support the employment and promotion of minorities.
- E. To encourage, develop and protect the construction industry.
- F. To promote the general welfare of the members; to encourage the highest efficiency and adherence to ethical standards by the construction industry.
- G. To bring together: builders, general contractors, subcontractors, suppliers and other participants in the construction industry, including those engaged in allied or related business or industries into one association, so that by their meeting together for full and frank interchange of views they may secure such intelligent unity and harmony on every phase of their labor as will elevate the opinion held by the construction industry on all matters, and result in the industry receiving that respect and support within its own ranks and from the community to which its honorable history and great achievements entitle it.

- H. To promote good will and confidence among all the aforementioned participants in the construction industry and between them and the general public.
- I. To purchase, lease or otherwise acquire, hold, develop, improve, mortgage, sell, exchange, let, or in any manner encumber or dispose of; real property wherever situated.
- J. To do everything necessary, suitable or proper for the accomplishment of the purposes, the attainment of any of the objects, or the furtherance of any of the powers herein before set forth, either alone or in connection with other corporations, firms, or individuals, and either as principals or agents, and to do every other act or acts, thing or things, incidental or appurtenant to or growing out of or connected with the aforesaid objects, purposes or powers, or any of them.
- K. And, generally, to exercise and enjoy all powers, rights, and privileges granted to or conferred upon corporations of this character of the General Laws of the State of Michigan now and hereinafter enforced, the enumeration of certain powers as herein above specified not being intended to exclude or to constitute a waiver of such other powers, rights or privileges.

SECTION 3. RIGHT TO AFFILIATE. In furtherance of the foregoing purposes this Association may affiliate with another organization or other organizations similarly dedicated.

SECTION 4. CODE OF ETHICS. The following is the Code of Ethics of this association and its members.

- A. To maintain a standard of performance consistent with the owner's best interest and obligations.
- B. To quote only realistic prices and completion dates and perform accordingly.
- C. To cooperate to the fullest extent with the architect and other agents of the owners toward fulfillment of the contract undertaken.
- D. To make all payments promptly within the terms of the contract.
- E. To observe and foster the highest standards of safety and working conditions for employees.

- F. To establish realistic wage schedules for employees commensurate with their ability, responsibility, and productivity so they may enjoy the standard of living and dignity to which they are entitled.
- G. Participate actively in the training of skilled tradesmen for future availability thereof to members of this Association.

ARTICLE 11- MEMBERSHIP

SECTION 1. REGULAR MEMBERSHIP. Any person, firm or corporation engaged in the construction industry as a general contractor or subcontractor.

SECTION 2. SUPPLIER MEMBERSHIP. Any person, firm, or corporation engaged in business as a supplier in the construction industry such as, but not limited to, lumber companies, mechanical supply houses, block companies and concrete companies.

SECTION 3. ASSOCIATE MEMBERSHIP. Any person, firm or corporation engaged in a business or profession allied with or related to the construction industry such as, but not limited to, architects, attorneys, bonding companies, engineers, real estate brokers, insurance and title companies.

SECTION 4. APPLICATION AND ELIGIBILITY FOR MEMBERSHIP. Application for membership will be made on forms provided by the chapter.

- A. All qualified and eligible applicants will automatically be accepted as members upon receipt of the membership application and payment of appropriate dues, provided, however, the Board of Directors may reject an applicant for good cause by a two thirds vote of a quorum present. A report of the rejection stating the just cause will be submitted to the National Headquarters of the Association for review by the legal counsel of the National Association.
- B. Each member, not an individual member, shall designate in writing a person who shall be the representative of its firm or corporation in the Association, who shall represent and act for such member in all the affairs of the Association, and who shall serve for the duration of membership or until a successor representative is designated in writing.
- C. Each member, whether an individual, firm, or corporation, and whether a Regular, Supplier or an Associate member, may authorize the Association by its Power of Attorney to represent it as specified therein. The Association shall be, and is,

empowered additionally to represent as a class any group composed of members who have so authorized it, with respect to the same purpose or purposes, in any matter in which such a common purpose is, or common purposes are, involved, and in which, accordingly, such members, as a class, have a mutuality of interest.

- D. All members must subscribe to the Association's Code of Ethics and pledge to abide by the Association's Constitution and By-Laws now existent or as may be approved later.
- E. If, pursuant to **ARTICLE - Section 3.** hereof; the membership of this Association affiliates with another organization or other organizations, it may establish as a condition of membership in this Association, membership in such affiliated organization or organizations.

SECTION 5. DUES. Membership dues are due January 1st of each year. Any member who has not renewed their dues by March 1st will receive a reminder letter. If not paid by April 1st the member will be notified. If dues are not paid by May 1st their membership will be terminated according to **Article 11 Section 6B.**

SECTION 6. TERMINATION OF MEMBERSHIP. Membership in this Association shall terminate:

- A. By resignation, in writing, to the Board of Directors. The Board shall act on the request at the next meeting following receipt of request.
- B. By failure to pay dues, assessments, or other charges. If a member's dues are delinquent for 60 days, the member will be reminded by letter. If still past due after 30 days, the member will be mailed a "**demand for payment**" letter. If payment is not received within 30 days after the demand letter, the member will be terminated and notified in writing of the termination.
- C. For a violation of the By-Laws or Code of Ethics of this Association, or of any agreement, rule or practice properly adopted by the membership of the Association or by its Board of Directors. A statement of the charges giving rise to consideration of such termination of a member shall be mailed, by certified mail, to the last recorded address of the member at least thirty (30) days before action shall be taken. Termination shall be by a majority vote of the Board of Directors elected and serving.
- D. If in violation of the Merit Shop Training Manual as outlined under the "grievance procedure" section of said manual.

E. A member terminated under **Subsection C or D** may appeal to the full membership at the next membership meeting following termination. A member terminated under Subsection B may apply for re-instatement by paying all past due dues, assessments and charges. Re-instatement may be approved by a majority vote of the Board of Directors elected and serving.

ARTICLE 111- VOTING

SECTION 1. ELIGIBILITY LIST. The Secretary of the Association shall present to the President at each annual meeting of the members of the Association a list of members in good standing, and the representative designated by each firm or corporation pursuant to **ARTICLE 11~ Section 4~ Subsection B~** and shall certify that the members listed therein have paid all dues and charges assessed which were payable previous to such meeting.

SECTION 2. VOTING RIGHTS. At any meeting of members of the Association, each member in good standing shall be entitled to one (1) vote, (one (1) vote per individual member and or one (1) vote per firm or corporation member).

SECTION 3. QUORUM. At all meetings of the members, a quorum shall consist of twenty-five (25) members or a majority of the members, whichever is less.

SECTION 4. METHOD OF VOTING. All voting shall be by roll call except that, at the discretion of the Chair of the meeting, a voice vote may be taken. If any member objects, a roll call vote shall be taken.

SECTION 5. ORDER OF BUSINESS AND PARLIAMENTARY PROCEDURE. The parliamentary procedures of the Association shall be in accordance with the **Robert's Rules of Order**, newly revised, except where modified by these By-Laws.

SECTION 6. PROXY. An individual member or the member designate of a firm or corporation may give their proxy to another member. If the member is a firm or corporation, the proxy may be another designee. The proxy must be in writing and presented to the Secretary at the meeting for which the vote will be cast. A proxy may not be used to establish a quorum.

ARTICLE IV - MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING. There shall be an annual meeting of the Association held during the month of October. The Board of Directors shall mail a notice stating time and location to all members of the Association at least thirty (30) days prior to the meeting.

SECTION 2. REGULAR MONTHLY MEETING. At the December meeting of the Board of Directors, it shall establish a schedule of regular monthly meetings of the members of the Association to be held at a uniform time and on a consistent day for the coming year, except no meetings need be scheduled in the months of June, July and August.

SECTION 3. SPECIAL MEETING. A special meeting of the members of the Association may be called by the President at the President's discretion, and shall be called by him or her upon the written request of five (5) members, provided, however, that in all such cases the request must specify the reason or reasons of such meeting. Notice of a special meeting shall be mailed to each member at least five (5) business days prior to the date of such meeting, and must give the reason or reasons for the special meeting including date, time and location.

SECTION 4. RIGHT TO ATTEND. Meetings of the Association are open to all members, their employees and invited guests.

ARTICLE V - BOARD OF DIRECTORS

SECTION 1. ELECTIONS: OFFICERS AND BOARD MEMBERS.

- A. All board members shall be elected at the annual meeting held in October each year and will be installed at the regular monthly membership meeting in January.
- B. The Board of Directors shall consist of twelve (12) members and shall serve for terms of three (3) years each, limited to two consecutive terms. The ratio of contractor/subcontractor members as directors to supplier/associate members as directors shall not be less than 2:1.

- C. The members of the Board of Directors and Directors Elect shall meet prior to December 1 to elect officers for the coming year. The officers to be elected are: President, First Vice President, Second Vice President, Secretary, and Treasurer. Each shall serve for a term of one year. The Board shall elect either a contractor or a subcontractor to the offices of President, First Vice President and Second Vice President.
- D. In order to have stability of good leadership, it is anticipated that the First Vice President will be nominated for President, unless that person declines the nomination. It is further anticipated the Second Vice President will be nominated for First Vice President, unless that person declines the nomination. The nominating committee shall seek a candidate for Second Vice President that will be willing to move up to First Vice President and the President. The nominating committee will seek qualified and willing candidates for Secretary and Treasurer.
- E. The Board of Directors shall appoint the appropriate number of members to serve on the State of Michigan Board of Directors for a term of one year. The members so appointed shall each be from a different trade.
- F. The nominating committee will nominate its slate of candidates for the Board of Directors. Upon being seconded, each nominee will become a candidate for the Board of Directors.
- G. Any member may nominate any other member for the Board of Directors, if each nominee's election would be consistent with the ratio in **ARTICLE V**. Section 1. B and if the nomination is seconded, that candidate will also be considered by the membership. If there are more nominees for the Board of Directors than there are vacancies, the members receiving the most votes will be elected.
- H. If there are more nominees than board vacancies, the vote may be by show of hands. If any member objects the vote will be by secret ballot, with each qualified member casting votes for as many nominees as there are vacant positions on the Board.
- I. Should a vacancy occur on the Board of Directors, the Chair of the Board will appoint a nominating committee to nominate a candidate to be voted on at the next meeting of the membership in which the members have had at least 15 days notice of the meeting and the candidate's name. The notice of the meeting will also inform the membership that they will be allowed to vote for the nominee or someone nominated at the membership meeting.

J. Should a vacancy occur in the office of the President, the First Vice President will become President. The Second Vice President will become First Vice President. A new Second Vice President will be elected by the Board of Directors in accordance with **Article V**. Section 1. Subsection D of these By-Laws.

Should a vacancy occur in the office of First Vice President, the Second Vice President will become First Vice President. The Second Vice President position will be filled as described in the previous paragraph.

Should a vacancy occur in the Second Vice President's office, it will be filled as previously described.

Should a vacancy occur in the office of Secretary or Treasurer, the Board of Directors will elect other board members to fill the vacancies.

K. A majority of the members of the Board of Directors elected and serving constitutes a quorum. No business may be conducted unless a quorum is present, the meeting may be adjourned to another date and time. If a quorum is then present, the Board may conduct business as originally scheduled. If the board meeting is a special meeting called for a specific purpose, then the purpose will be the same at a rescheduled meeting.

SECTION 2. MEETINGS. The Board of Directors shall establish a schedule of regular meetings to be held preceding the regular meeting of the membership. It shall also meet at such other times as desired by the President or upon written request made to the president by any member of the Board. Notice of every meeting of the Board of Directors shall be in writing and be provided to all directors at least seven (7) days before each meeting. The President, or a majority of the Board of Directors, may direct that a regular meeting of the Board be held by use of a conference telephone or other electronic device that permits all those persons participating to hear and speak to each other.

ARTICLE VI- BOARD OF DIRECTORS AND OFFICER'S DUTIES

SECTION 1. BOARD OF DIRECTORS DUTIES. The Board of Directors shall have supervision of the conduct of the affairs of the Association, including, but not limited to, the **authority** to establish staff positions, as it deems necessary, to retain an Auditor and Counsel in diverse fields, and to do everything necessary and desirable in the conduct of the affairs of the Association and in accordance with these By-Laws.

SECTION 2. PRESIDENT. The President shall be Chief Executive of the Association and shall preside at the meetings of the Association and shall serve as Chair of the Board of Directors. The President shall communicate to the Board of Directors and/or to the members such matters or suggestions as may be deemed appropriate, to promote the welfare and increase the usefulness of the Association. The President shall perform such other duties as are incident to the office of the President of the Association or as may be prescribed by its Board of Directors.

SECTION 3. FIRST VICE PRESIDENT. The First Vice President shall succeed to the office of the President in the event that office becomes vacant. The First Vice President shall assume the duties of the President in the absence of the President. The First Vice President shall perform those duties assigned by the President, by these By-Laws or at the direction of the Board of Directors of this Association.

SECTION 4. SECOND VICE PRESIDENT. The Second Vice President shall succeed to the office of First Vice President in the event the office becomes vacant. The Second Vice President shall perform the duties of the President in the absence of the President and First Vice President. The Second Vice President shall perform such other duties assigned by the President, by these By-Laws or at the direction of the Board of Directors of the Association.

SECTION 5. SECRETARY. The Secretary shall record and prepare the minutes of the meetings of the Association and of its Board of Directors, provide for the safekeeping of the records of the Association, and shall perform such other duties as shall be designated by these By-Laws, by the President, or by the Board of Directors. At each annual meeting, the Secretary shall furnish each member of the Association with a complete list of the regular, supplier and associate members of the Association together with a designation of the trade, business or profession in which each is engaged.

SECTION 6. TREASURER. The Treasurer shall have charge of all monies belonging to the Association and shall keep an accurate record of all receipts and disbursements and shall bring an itemized report thereof before the members at their annual meeting and such other times as the President or the Board of Directors may direct. The Treasurer shall assume such other duties as may be assigned by the President or the Board of Directors.

SECTION 7. BOARD'S DUTY TO PROVIDE FUNDS. It shall be the duty of the Board of Directors to see that adequate funds are raised for the operation of the Association by means consistent with the tax-exempt status of the Association provided, however, that neither the Board of Directors nor any Director, officer, or employee of the association shall be liable for any failure to raise funds adequate for the operations of the association.

SECTION 8. EXPENSES. The Budget & Finance Committee will prepare and present to the membership at the monthly meeting in December the budget of income and expenses for the following year. When approved by the membership it will be the responsibility of the Executive Director to carry out the budget. If the Association has no Executive Director, then the President or the Board's designee will be so responsible. Should it become obvious the Association will not be able to continue a budget as approved, the Board of Directors at a regular or special meeting, may make spending changes in order for the Association to retain fiscal soundness. Any such changes shall be reported to the membership at the next meeting following such action.

SECTION 9. BOOKS AND RECORDS. Books and records of the Association shall be set up in a manner which shall conform to the budget, provide proper records for reports to the government, to the Board of Directors, and to the members of the Association, and enable an accurate audit of the finances of the Association.

SECTION 10. FISCAL YEAR. The fiscal year of the Association shall begin January 1st and end December 31st.

ARTICLE VII- NOMINATIONS

SECTION 1. NOMINATING COMMITTEE. By September 1st of each year the President shall appoint five (5) members, three (3) of which are non-board members, as a nominating committee. The President will chair the Nominating Committee. The committee will prepare a slate of candidates to be presented to the membership at the monthly meeting in September. The membership election will be held at the annual meeting in October. Those elected will be installed and assume office at the regularly scheduled monthly membership meeting in December. The President shall appoint a nominating committee at such other times as are necessary to fill vacancies on the Board.

ARTICLE VIII- COMMITTEES

SECTION 1. STANDING COMMITTEES. The President shall appoint Standing Committees which may include, but shall not be limited to Apprenticeship, Budget & Finance, Education, Membership and Programs. A member of the Board of Directors shall serve as Chair on each established Committee. The President shall appoint any other standing or ad hoc committee as determined from time to time to be desirable by the Board of Directors.

SECTION 2. SPECIAL COMMITTEES. The President may appoint such Special Committees as are called for in the interest of the Association and its members.

SECTION 3. AUDITOR. The Board of Directors shall retain an Auditor, who shall be a Certified Public Accountant, whose regular duties shall be to prepare an annual statement for presentation at the first meeting of the Board of Directors in January of each year, and to prepare all tax returns required to be filed by the Association. Upon request of the Treasurer, after prior approval by the Board of Directors, the Auditor shall perform special duties such as, but not limited to: assisting in the revision of bookkeeping and accounting systems, procedures of the Association and special audits.

SECTION 4. COUNSEL. The Board of Directors may engage counsel for various reasons such as, but not limited to: **Law, Personnel, Labor Relations**, and for such services as are requested by the President, the Board of Directors, or by the Executive Director hereinafter provided for.

SECTION 5. EXECUTIVE COMMITTEE. The Executive Committee will consist of the President, First Vice President, Second Vice President, Secretary and Treasurer. The Executive Committee shall develop and make recommendations to the Board referencing any changes needed in the budget thereto. The Executive Committee will be responsible for recommending funding, and recommending staff changes, and approving major expenditures as deemed appropriate for the good of the chapter. The Executive Committee will also function as the Budget and Finance Committee.

ARTICLE IX - EXECUTIVE DIRECTOR AND STAFF

SECTION 1. EXECUTIVE DIRECTOR. The Board of Directors may appoint an Executive Director, with duties and responsibilities as deemed appropriate by the Board. The Executive Director shall serve at the pleasure of the Board of Directors.

SECTION 2. STAFF. The Executive Director will be responsible for employing sufficient staff to properly accommodate the needs of the Chapter membership, with the advice and consent of the Executive Committee.

ARTICLE X - AMENDMENTS

SECTION 1. These By-Laws may be amended at any meeting of the Association in which a quorum is present by a vote of two-thirds (2/3) of the members present and entitled to vote pursuant to **ARTICLE 111. Section 2** hereof; provided that notice of any proposed amendment has been furnished to the Secretary in writing, at least thirty (30) days and not more than forty (40) days before the meeting at which such amendment is to be voted upon and provided further that a copy thereof has been mailed by the Secretary to each member of the Association at least fifteen (15) days before the meeting at which the amendment is to be voted upon.

ARTICLE XI- INDEMNIFICATION AND PERSONAL LIABILITY PROTECTION FOR VOLUNTEER DIRECTORS

SECTION 1. DIRECTOR'S AND OFFICER'S INSURANCE. The Board of Directors shall determine the policies regarding the indemnification of persons acting on behalf of the Chapter and may purchase and maintain the insurance necessary to cover such indemnification.

13

SECTION 2. LIMITATION OF LIABILITY OF DIRECTORS. To the fullest extent of the Articles of Incorporation and the By-Laws, and to the fullest extent permitted under Section 209 (c) of the Michigan Nonprofit Corporation Act (MNCA), as the same presently exists or may hereafter be amended, a volunteer director shall not be personally liable to this corporation ("association") or to its members for monetary damages for the director's breach of the director's fiduciary duty. However, this provision shall not eliminate or limit the liability of a director for any of the following:

- (a) a breach of the director's duty of loyalty to the association or its members
- (b) acts or omissions not in good faith or that involve intentional misconduct or a known violation of law;
- (c) an act or omission occurring before January 1, 1988; or
- (d) an act or omission that is grossly negligent.

Any director shall only be personally liable for monetary damages for a breach of fiduciary duty as a director to the Association or its members to the extent set forth in this paragraph.

SECTION 3. VOLUNTEER DIRECTOR. The term "volunteer director" shall have the same definition as set forth in Section 110 (2) of the MNCA, as the same presently exists or may hereafter be amended.

SECTION 4. Any repeal, amendment or other modification of the Article shall not adversely affect any right or protection of a director of the Association existing at the time of such repeal, amendment or other modification. If the MNCA is amended after this article becomes effective, then the liability of directors shall be eliminated or limited to the fullest extent permitted by the MNCA as so amended.

ARTICLE XII- DISSOLUTION

SECTION 1. The Corporation, by resolution of the Board of Directors approved by a two-thirds (2/3) vote of the Board, may elect to dissolve.

SECTION 2. Upon dissolution of the corporation in accord with Article **XI. Section 1** hereof; any funds remaining in the corporation's treasury shall be disbursed to such other charitable, educational or other organizations which qualify for the tax exempt status allowed under Section 501(c) of the Internal Revenue Code as the corporation, by resolution of the Board of Directors, deems appropriate.

ARTICLE XIII- NOTICES

The Association may use facsimile transmission, telex, telegram, or other written forms of electronic communication to give any of the notices required by these By-Laws.

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Voted 02/06