

Central Michigan Chapter of Associated Builders and Contractors, Inc.

By-Laws

Article I

Principles of The Merit Shop

The Associated Builders and Contractors, Incorporated herein sometimes called the “National Association” is the voice of the MERIT SHOP in the construction industry. The Central Michigan Chapter of Associated Builders and Contractors, Inc., a Michigan nonprofit corporation, herein sometimes called the “Chapter”, assumes the responsibility of making that voice heard throughout its ten counties and in the State of Michigan.

Article II

Purposes and Objectives

- A. The mission of the Chapter is to forge a partnership between Owners, Contractors, Employees and others to protect and promote free enterprise through Merit Shop philosophy and to provide the means to assure high quality constructed projects, safely built, on time and within budget.
- B. In addition to this primary objective, this Chapter shall pursue and promote the following activities:
 - 1. Encourage, develop, and protect the building and construction industries.
 - 2. Promote confidence and goodwill within the building and construction industries and between these industries and the general public.
 - 3. Promote and make available to membership the various programs organized by the National Association, Associated Builders and Contractors (National) and the Chapter.

Article III

Membership And Dues

- A. The members of the Chapter shall be interested in the building and construction trade in the State of Michigan or elsewhere (herein referred to as “Members”). Types of members shall be as follows:
 - 1. Regular member, who is a person, a firm or a corporation paying dues to the Chapter, and is paid in full for the current fiscal year.
 - 2. Life member, who is an individual retired from an active role in the industry and who wishes to continue to participate in furthering the

objectives, purposes and programs of the Chapter. A life member must have contributed an outstanding service to the chapter, meet the standards set by the Board of Directors, and may be recommended to the National Board of Directors for approval as a Life Member by the Chapter Board of Directors.

3. Sustaining Member, who is a regular member, Life member, firm, industry, association, foundation, or any other group or individual who agrees to make a voluntary annual contribution to help defray the costs of furthering the objectives, purposes, and programs of the chapter, and is paid in full for the current fiscal year.
4. Service Member is a Regular Member of another Chapter, who becomes a member under the same name in this Chapter for the purpose of receiving some special service or services. Dues or fees for Service Membership shall be determined between the Chapter Board of Directors and the member. National services are available only to the firm in the chapter through which it pays National Dues.

B. Eligibility

1. Any person, firm or corporation, etc., which possesses the qualifications listed in the descriptions of the various memberships, is eligible to become a member of this chapter except that no labor organization or any officer, employee or agent thereof shall be eligible for membership. Furthermore, no one shall be excluded from eligibility solely because of membership in a labor organization.
2. Acceptance of any qualified application shall be automatic with the payment of the proper dues and fees, provided however, that the Chapter Board of Directors by a two thirds vote of a quorum at the next regularly scheduled Board of Directors meeting may reject such applicant for just cause. A report of such rejection shall be submitted to the National Office of the Association for review by the Legal Counsel of the National Association.
3. No membership, nor any membership right, shall be transferred by any member to a non-member, except with permission of the Board of Directors.

C. Voting Rights

1. Each Regular member shall have the right to vote for the election of Chapter Officers and Directors and other matters requiring approval of the membership.

D. Application

1. Application for the various types of membership shall be made on a proper form supplied by the Chapter.

E. Dues

1. Dues for membership in the Chapter shall be set by the Board of Directors of the Central Michigan Chapter.
2. Renewal dues are payable on the first of January in advance for the entire year. Any member who has not renewed membership dues by May 15 of that year will no longer be considered a member.
3. National dues will be collected by the Chapter at the time Chapter dues are collected and the National portions will be forwarded to National as set forth in the National Bylaws.

F. Expulsion and Removal from Membership

1. A regular Member may be expelled from membership in the Association thirty days after receipt of notice of a two-thirds vote of a quorum of the Chapter Board of Directors present and voting but in no case less than one half of the total Board.
2. The Regular Member subject to expulsion must be provided the following due process rights at least thirty days prior to the final vote of the Chapter Board on the proposed expulsion:
 - a. Written notification of the reason(s) for the proposed expulsion.
 - b. An unbiased hearing before members. Place, time and date must be provided to the member in writing.
 - c. The right and opportunity to see and examine all evidence as well as cross-examine witnesses.
 - d. The right to answer and refute all charges.
 - e. A notification in writing of the right of appeal to the National Executive Committee.
3. A report of such expulsion (to include verification of the due process rights) shall be forwarded within 48 hours of the Board vote to the National office of the Association for review by legal counsel with a copy sent to the member by registered mail.
4. The expelled member shall have the right of appeal to the National Executive Committee of the Association. The request for appeal is to be filed in writing to the National Chairman within thirty days of the receipt by the member of written notification of expulsion. Such member shall

maintain the rights and privileges of membership during such appeal.

5. The National Executive Committee shall make a recommendation to the National Board to uphold or override the expulsion. A two-thirds vote of the Board (meaning two-thirds of the National Board present and voting but in no case less than one half of the total Board) is necessary to pass a motion to override the local expulsion vote.
6. Life Members, Sustaining Members and Service Members may be expelled from membership in the Chapter at any time by a two-thirds vote of the Board of Directors for just cause, including but not limited to actions which are inimical to the best interests of the Chapter, its objectives, purposes or the programs of the Chapter. The appeals process listed above is applicable to these members.
7. A member who has not renewed his membership by May 15 of any year or who is paying his dues in installments and is delinquent by thirty (30) days in making payments shall be stricken from the Membership List.
8. Any member of the Chapter may withdraw from membership after delivery to the President of the Chapter of a written notice of the members' intention to so withdraw. Chapter refunds on membership dues are not applicable unless otherwise stated.

G. Meetings of Members

1. There shall be an annual meeting of the Members, to elect Directors, and to transact any other business, no later than November 15, of each year, to be held at such date and hour and place as is designated by the Chairman and stated in the notice of the meeting.
2. Special meetings of the members of the Chapter may be called by the Chairman, or in the Chairman's absence by the Chairman-Elect, and must be called upon written request of any ten Members.
3. Written notice of each meeting, stating the time and place and in the case of special meetings, the purpose of the meeting, shall be sent to each member not less than five and not more than 30 days prior to the meeting date. -
4. Except for the amendment of the Articles of Incorporation or the adoption or amendment of By-Laws, or where otherwise required by law or by these By-Laws, the affirmative vote of a majority of the Members present, there being a quorum, shall be sufficient for any action by the Members. Refer to Article IV Section H. Number 5 for membership definition on a quorum and absentee ballots.

Article IV Organization

A. Board of Directors

1. Purpose

- a. To govern the Chapter, subject to the National By-Laws and regulations set up by the National Board of Directors.
 1. Formulate policy for Chapter officers and Chapter staff.
 2. Pass judgment on major Chapter decisions and disputes.

2. Representation

- a. The Board shall consist of Directors elected from Members in good standing of the Chapter.
 1. Not less than nine, or more than fifteen Members, including the elected officers of the Chapter, shall make up the Chapter Board of Directors. The number of Directors for the ensuing year shall be established by vote of the Members at the annual meeting of Members. This limitation is subject to the provisions of number 7f of this Article.
 2. The Board of Directors of the Chapter shall be given the authority to represent all Members.

3. Meetings

- a. The board of Directors of the Chapter will meet at least once per month as determined by the Board of Directors. A ten-day notice shall be given of any meeting held other than on the regularly scheduled day. If the meeting is to be held, with a notice of less than ten days, it must have the approval of two-thirds of the Chapter Board of Directors.
- b. A special meeting of the Chapter Board of Directors may be called by the Chairman of the Chapter or at the discretion of a majority of the Chapter Board of Directors.
- c. The agenda is to be prepared by the Chairman and the Staff for distribution as notice of the meeting, so far as is practical.
- d. Distribution of the agenda, along with the minutes of the previous meeting, ten days prior to the meeting, will constitute notice of the meeting, provided that notice of meeting may also be given stating the time, place and purpose of the meeting.
- e. A quorum, for transacting business, either in person or by other electronic communication means, requires a majority of the total membership of the Chapter Board of Directors.

4. Qualifications of Directors

- a. Member in good standing of the Chapter.
- b. Ability to attend meetings and accept committee responsibilities.

5. Duties of Directors

- a. To attend Board meetings regularly, and vote on all business brought before the Board of Directors. There shall be no proxy voting allowed by the Board of Directors. Failure to attend two-thirds of the scheduled meetings may be cause for replacement.

6. Terms of Directors

- a. Shall be elected prior to November 15 of each year to take office on the following January 1st.
- b. The terms of office of Directors shall be staggered, whereby no more than one-third (1/3) of the Directors shall be elected each year. Directors shall serve for a term of one, two or maximum three years, respectively, in order to initiate the staggered terms.
- c. In the event that an officer or member of the Chapter Board of Directors is unable, for any reason, to complete the Director's elected term of office, the remaining duly elected Chapter Board of Directors, by a majority vote, shall be empowered to select a member in good standing of the Chapter to fill out the aforementioned Director's term of office.
- d. Directors shall be limited to two consecutive terms at a time. In this case, a Director may run for a new term in office by waiting one full year after his consecutive terms are completed.

7. Election of Officers

- a. The officers of the corporation shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer and the Immediate Past Chairman, each of whom shall be nominated by the Board of Directors and voted on in accordance with national guidelines.
- b. Any officer or agent may be removed by the board of Directors whenever, in its judgment, the best interests of the association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself,

create contract rights.

- c. A vacancy of any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term, or such term and/or conditions as shall be determined by said Board.
- d. The Chairman shall be the principal executive officer of the association, but shall be subject to the direction of the Board of Directors at all times.
- e. If the Immediate Past Chairman's term as a Director expires upon completion of his/her term as Chairman, he/she would automatically remain on the Chapter board of Directors, as a full voting member, for one year following completion of his/her term as Chairman.
- f. The Vice Chairman would automatically succeed to the office of the Chairman, on January 1 of each year, unless otherwise changed by a two-thirds affirmative vote of the Board of Directors.
- g. An Officer or Director shall discharge the duties of an office in good faith, in a manner the officer reasonably believes to be in the best interest of the Chapter, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.
- h. An Officer or Director is not considered to be a trustee with respect to the corporation or with respect to property held or administered by the corporation including without limit, property that may be subject to restrictions imposed by the donor or transferor of the property.

B. The Executive Committee

1. Purpose & Representation

- a. To consult with and advise the Chairman of the Chapter.
- b. To make decisions on matters regarding Chapter operations. The Executive Committee shall decide and act on matters of procedures and operation but not on policy.
- c. To make recommendations to the Chapter Board of Directors on matters of policy.

- d. Shall consist of the elected officers of the Chapter as listed in these By-Laws.

C. Elected Officers and Their Duties

1. Chairman

- a. Serve as Chair of the Board of Directors of the Chapter, by presiding over all Board meetings, Executive Committee meetings, and other meetings as called. Be active in the general management of Chapter business, and see that the orders and resolutions of the Board of Directors are carried into effect. The Chairman will vote only to break or make ties.
- b. Serve as chief executive of the organization, including, the signing in the name of the Chapter all deeds, mortgages, contracts, bonds, or other instruments, except when authority to sign is vested law with another person.
- c. Serve as the Chapter's first representative to the National Board of Directors.
- d. Appoints standing committees and task forces approved by the Board.
- e. Appoint Secretary and Treasurer to serve a one-year term approved by the Board.

2. Vice Chairman

- a. Serve on Board of Directors of the Chapter.
- b. Assume office of Chairman in the event of the Chairman's absence, resignation or removal from office, and serve as Chairman the year following election as Chairman-elect.
- c. Perform those duties assigned by the Chairman, outlined in these By-Laws, or the Board of Directors.
- d. Serve on the Executive Committee.
- e. Serve as the Chapter's second representative to the National Board of Directors.

3. Secretary

- a. Serve on the Executive Committee.

- b. Certify the accuracy, and insure proper maintenance of the minutes of the Board of Directors and Executive Committee.

4. Treasurer

- a. Shall attend the Executive Committee, and advise the Executive Committee on fiscal matters of the Chapter.
- b. Shall attend the Chapter Board of Directors meetings, and shall submit written financial reports of the organization to the Board on a quarterly basis or more often if so directed by the Board.

5. Immediate Past Chair

- b. Serve on the Board of Directors and the Executive Committee.
- c. In the event a third National Director is authorized, serve as the third National Director.
- d. Serve as Chairman of the Nominating Committee.

C. Labor Counsel

- 1. Shall be selected and retained by the Executive Committee, subject to ratification by the Chapter Board of Directors.
- 2. Signed copies of the retainer agreement between the Labor Counsel, and the Chapter shall be on file in the President's office. Any changes to the agreement shall be approved by the Chapter Board of Directors before they are effective.
- 3. Service within the scope of the retainer agreement may be requested by the President, the Chairman or the Board of Directors.
- 4. Service in addition to that covered by the retainer may be requested by the Executive Committee, Chapter Board of Directors, President or Chairman.
- 5. Shall present a report of activities to the board of Directors of the Chapter upon request. Shall be given fifteen days notice to comply with this request.

D. President and Chapter Staff

- 1. The Chairman shall be empowered to employ and to terminate the

President with the advice and consent of the Executive Committee, with a two-thirds vote of the total Board of Directors required for approval of such action

2. The President shall determine all hiring, termination, duties, titles and compensation within the guidelines of the Annual Budget of staff personnel, and be responsible for implementation of policy as directed by the Executive Committee and Board.
3. At the end of each year, the Chairman, Vice Chairman, Immediate Past Chairman shall meet with the President for the purpose of evaluating performance and making any adjustments to his/her total compensation as they deem appropriate, within the guidelines of the Annual budget.

E. Committees

1. All committees, standing and temporary
 - b. Shall be responsible to the Chairman and come under the direct supervision of the Vice Chairman or the designated board member, who shall be assisted by the Chapter Staff in aiding the committees to accomplish their tasks.
 - c. Committee Chairman
 - 1 Shall attend the majority of committee meetings and report progress or accomplishments to Board of Directors through a chain of communication as established by the Board Chairman.
 - 2 To officiate at all meetings of the committee.
 - 3 To see that enough meetings are held to complete the assigned tasks.
 - d. Committee Liaison
 - 1 Member of the Chapter Board of Directors may also serve as committee Chairman.
 - 2 Responsible for reporting committee actions to the Board of Directors.
 - 3 Responsible for attending the majority of the committee meetings.
 - e. Committee Members

- 1 Responsible for attending the majority of committee meetings.
- 2 Willing to accept responsibilities and work toward the goals and purpose of the committee.

F. Nominations and Elections

1. The Nominating Committee shall be appointed by the Chairman and shall consist of at least three members with the Immediate Past Chairman being the Chairman of the Committee.
2. The Nominating committee shall submit its report no later than October 1st of the election year on nominations for the Board of Directors. This report will be communicated to the general membership no later than November 1st of each year.
3. Additional nominees, other than those submitted by the Nominating Committee, may be included in the ballot, provided that prior consent of the nominee has been obtained, and provided that the nominee's name has been presented in writing, to the Chapter office, prior to October 1st of the election year and sponsored by five members in good standing of the Chapter.
4. All elected officers shall be elected for a term of one year, said term to begin on the January 1st following the election.
5. The election of officers and directors shall be conducted as follows:
 - b. A quorum for a meeting of the members of the association shall be 25 voting Members or 10% of the total voting Members, whichever is less.
 - c. No proxy voting shall be permitted. The member must request an official absentee ballot from the office of the ABC. The absentee ballot must be returned to the office before 12:00 noon the day prior to the scheduled annual meeting signed and dated by the member. The ballot may be mailed, faxed, or e-mailed to the office. The absentee ballot will be counted as part of the total quorum vote.
 - d. The general membership shall be notified of the annual meeting of members for the election of directors. Directors of the chapter shall be elected by vote of Members.
 - e. In the event that there are opposing candidates for any office, the

election will be by written ballot. In the event there are no opposing candidates, the slate as presented will be elected by a simple voice vote of the voting members in good standing attending the meeting.

Article V Bank Accounts

A. Savings Accounts

1. Savings Accounts in the name of the Chapter may be opened with such institution(s) as the Chapter Board of Directors shall approve.
2. Withdrawals from either of these saving accounts shall require signatures of any two of the following. Chairman, Vice Chairman, Secretary, Treasurer, and President.

B. Checking Account

1. A checking account in the name of the Chapter may be opened with such financial institution(s) as the Chapter Board of Directors shall approve.
2. Checks shall require the signature of any two of the following Chairman, Vice Chairman, Secretary, Treasurer, and President.

Article VI Indemnification

A. Officer and Director Indemnification

1. To the extent permitted by law, each Director and Officer of the Chapter, whether or not then in office, shall be indemnified by the Chapter against all costs and expenses reasonably incurred by or imposed upon the Director in connection with or arising out of any action, suit or proceeding in which the Director may be involved by reason of being or having been a director or officer of the Chapter, such expenses to include the cost of reasonable settlements (other than amounts paid to the Chapter itself) made with a view to curtailment of costs of litigation. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law.

B. Member Liability

1. A Member is not, as such, personally liable for the acts, debts, liabilities,

or obligations of the Chapter.

Article VII Miscellaneous

A. Fiscal Year

1. The Fiscal year of the Chapter shall be as set by Chapter Board of Directors.

B. Borrowings

1. No officer, agent or employee of the Chapter shall have any power or authority to borrow money on its behalf, or pledge its credit, or to mortgage or pledge its real or personal property, except within the scope and to the extent of the authority delegated by resolution on the Chapter Board of Directors. Authority may be given by the Board for any of the above purposes and may be general or limited to specific instances.

C. Office

1. The principal office of the Chapter at which the general business of the Chapter shall be transacted and where the corporate records shall be kept shall be in the State of Michigan, at such a location as the Chapter Board of Directors may designate.

D. Contract Rights

1. The election or appointment of a person as an office or agent does not, of itself, create contract rights. The Board of Directors, on behalf of the Chapter, may enter into a contract with an officer, director or agent if it believes the contract would be in the best interest of the Chapter.

F. Compliance with the Sarbanes-Oxley Law

1. "No officer, director, employee or agent of ABC shall take any harmful action with the intent to retaliate against any person, including interference with employment or livelihood, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any offense. Nor will any officer, director, employee or agent of ABC take any harmful action with intent to retaliate against any employee or member of the Association for reporting to an appropriate senior management or elected official of ABC the suspected misuse, misallocation or theft of any Association resources."

"No officer, director, employee or agent of ABC shall knowingly destroy a document with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to or

contemplation of any such matter or case.”

Article VIII Amendments

- A. These By-Laws may be amended, in whole or in part, by a two-thirds vote of the Board of Directors of the Chapter, provided, however, that:
1. The Chairman shall appoint a By-Laws Committee consisting of the Chairman and at least two other members to study and prepare such amendment.
 2. Such an amendment has been presented to the Board of Directors of the Chapter in the form of formal resolution.
 3. The members of the Board of Directors of the Chapter have been notified at least three weeks in advance of the proposed amendment. The notification of such a vote shall include the proposed amendment and the reasons therefore.
 4. Prior to the adoption of By-Laws or amendments thereto, copies will be forwarded to the Secretary of the National Association for study and approval of the Legal Counsel for the National Association to ensure that nothing in these By-Laws shall conflict with the By-Laws or Articles of Incorporation of the National Association.
 5. The Members by majority vote, at any regularly convened business meeting of the Members, have the right to prospectively revoke the power of the Board of Directors to amend the By-Laws.
- B. The Members also have the right to amend these By-Laws, by a two-thirds vote of the Members in attendance by person or by absentee ballot cast in the same manner as provided in Section IV, H (5) (b) for the election of officers and directors at any meeting of members duly and regularly called for that purpose and upon recommendation of such amendment by the Board of Directors as provided by Michigan Law and after following the procedures specified in paragraph A of this Article.

Article IX Resolved

If any provision of these By-Laws or the application of such provision to any person or circumstances shall be held invalid by a court of competent jurisdiction, the provision or application thereof, as the case may be, shall be suspended, provided however, the

remainder of these By-Laws or application of such provision to persons or circumstances other than those above as to which it is held invalid, shall not be affected and continue in full force and effect.

These foregoing By Laws have been approved by the Chapter Board of Director's and Legal Counsel of the National Association this_____.

Chairman_____

Secretary_____