

# **BY-LAWS OF MARIN BUILDERS ASSOCIATION**

As amended July 11, 2006

## **ARTICLE 1 – OFFICES**

**Section 1. Principal Office** – The principal office of the corporation shall be located at such place in the County of Marin, State of California, as the Board of Directors may, from time to time, designate.

**Section 2. Name** – The name of the corporation is Marin Builders Association.

**Section 3. Other Offices** – Branch or subordinate offices may at any time be established by the Board of Directors in any place or places that the corporation is qualified to do business.

## **ARTICLE II – OBJECTIVES AND PURPOSES**

The objectives of this corporation shall be:

To support or review laws and regulations which benefit both the construction industry and the public;

To foster and maintain high standards of quality, ethics and fair dealing by and between all persons engaged in the construction industry;

To enhance public awareness of the economic value and public benefit of the construction industry;

To establish and maintain liaison among members of the corporation for purposes of information, education, and mutual benefits, such as Political Action Committees, group insurance programs, Scholarship Fund, and other group programs and services not limited to the aforementioned;

To be a medium for adjusting differences between members or between members and other persons involved in the construction industry; and

To cooperate with all segments of the construction industry on common goals for the betterment of the industry.

## **ARTICLE III – DEDICATION OF ASSETS**

The properties and assets of this nonprofit mutual benefit corporation are dedicated to the objectives and purposes of the corporation.

## **ARTICLE IV – MEMBERS**

**Section 1. Membership** – There shall be four classifications of membership; general member, associate member, affiliate member and honorary member. Only general members shall have voting rights. All members may qualify to participate in the insurance programs sponsored by the Marin Builders Association. Membership shall be in the name of the business entity and the MBA shall be promptly advised of any changes in business operations, name, address and individual entitled to vote on behalf of the business.

**General Members:** Shall be firms holding a California contractors license, and such other firms that have direct construction industry related licenses, such as architect,

engineer, material manufacturers, or suppliers and title companies, whose primary business is to service the construction industry.

**Associate Members:** May be firms who have an indirect association with or interest in the construction industry as the Board of Directors may determine and approve. Associate members shall have no right or vested interest in any of the properties or assets of the Marin Builders Association. Associate members have no voting right, nor can they serve on the Board of Directors.

**Affiliate Members:** May be firms who hold a current valid business license as the Board of Directors may determine and approve. Affiliate members shall have no right or vested interest in any of the properties or assets of the Marin Builders Association. Affiliate members have no voting right, nor can they serve on the Board of Directors.

**Honorary Members:** Shall be a principal of a firm which has been a member in good standing for a period of 10 years and shall be approved by action of the Board of Directors. An Honorary Member shall not be eligible for membership under any other classification.

If an Honorary Member wishes to receive the Weekly Bulletin or participate in other Marin Builders Association functions or programs (including insurance programs), annual dues of \$25 will be assessed.

Qualified Honorary Members may participate in the distribution of the assets and properties of the Marin Builders Association, at its dissolution, in accordance with Article XII of these By-Laws. Honorary Members have no voting rights, nor can they serve on the Board of Directors.

## **ARTICLE V – DIRECTORS**

***Section 1. Responsibility*** – The affairs of the Association shall be conducted by a Board of Directors and the officers chosen from the Board of Directors.

***Section 2. Number Of Directors*** – The Board of Directors shall consist of fifteen (15) Directors chosen as provided herein.

***Section 3. Term Of Office*** – The term of each Director shall be three fiscal years commencing with the first day of the month succeeding the election. Each year five (5) Directors shall be elected. A Director shall not serve more than three full consecutive three-year terms. Businesses serve through their representatives and are subject to these term limitations regardless of the number of individuals who may represent the business.

***Section 4. Election*** – The Directors shall be elected at the Annual Meeting of members each year. Mid-term vacancies may be filled by a majority vote of the remaining Directors.

***Section 5. Directors Professions*** - The fifteen (15) Directors, so far as is possible and feasible, shall be comprised of the following professions elected as herein provided from the general members in good standing of the corporation:

1 prime or general contractor

1 engineering contractor

1 architect or engineer	1 electrical contractor
1 drywall/plastering contractor	1 plumbing contractor
1 painting contractor	1 roofing contractor
1 sheet metal contractor	1 masonry/tile contractor
1 manufacturer/supplier	1 flooring contractor
1 glazing contractor	1 landscape contractor
1 from the general membership	

In the event inclusion of a member of any of the above categories is not possible or feasible, such Director shall be from the general membership.

**Section 6. Nominating Committee**

**6.1 Appointment** – The Nominating Committee, consisting of three (3) members, shall be appointed by the President at least sixty (60) days prior to the Annual Meeting of Members.

**6.2 Responsibilities** – The Nominating Committee shall nominate five (5) members. Nominations shall be presented to the Board of Directors for their review and presentation at the Annual Membership Meeting.

**6.3 Additional Nominations** – Additional nominations may be made in writing, signed by not less than two (2) percent of the general members. Each additional nomination shall be filed with the General Manager at least fifteen (15) days prior to the date of the Annual Meeting. No nominations shall be made from the floor.

**6.4 Publication Of Nominee Names** – The list of nominations shall be listed in the corporation’s bulletin once, at least thirty days prior to the date of election. The list of additional nominations shall be published in the corporation’s bulletin once, at least seven days prior to the date of election.

**6.5 Nominee Qualifications** – All persons nominated shall be selected from members in the same classification so far as possible and feasible (as classifications are above set forth in this Section) as the Director whom they are nominated to succeed.

**6.6 Election Of Nominees** – If only the persons selected by the Nominating Committee are nominated, and no additional nominations are made, the persons so chosen by the Nominating Committee shall be voted for at the Annual Membership Meeting.

If additional nominations are made by members, as above stated, then all persons nominated by the Nominating Committee and the Members shall be voted upon at the Annual Membership Meeting and the person securing the greatest number of votes in each category shall be declared as elected.

**Section 7. Indemnification Of Agents Of The Corporation** – The liability of the Directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

**Section 8. Removal Of Directors**

**8.1 Office Vacancy** – The Board of Directors may declare vacant the office of a Director on the occurrences of any of the following events:

(1) The Director has been declared of unsound mind by a final order of the court;

- (2) The Director has been convicted of a felony;
- (3) The Director has been found by a final order of judgment of any court to have  
Breached the duties imposed by Section 7238 of the Corporations Code of Directors who perform functions with respect to assets held in charitable trust;
- (4) The Director has missed more than three (3) consecutive meetings of the Board.

**8.2 Removal Without Cause** – Any or all of the Directors may be removed without cause if, where the corporation has fewer than fifty (50) members, such removal shall be approved by a majority of all members pursuant to Section 5033 of the Corporations Code; such removal shall be approved by the members within the meaning of Section 5034 of the Corporations Code.

## ARTICLE VI – OFFICERS

**Section 1. Election** – The Officers of the corporation shall be: President, Vice President, Chief Financial Officer and Secretary, all elected by the Board of Directors.

**Section 2. The President** – The President and officers shall oversee the general operations of the affairs of the Association and the President shall preside at all meetings of the Association Board. The President shall temporarily fill any vacancy which occurs in an appointment which is not otherwise provided for. By virtue of the office, the President shall be an ex-officio member of all committees.

**Section 3. Vice President** – It shall be the duty of the Vice President to perform the duties of the President in case of his/her absence or inability to act.

**Section 4. Chief Financial Officer** – The CFO shall be Chairman of the Finance Committee and be responsible for the annual audits. The CFO must have prior service on the Finance Committee. Financial records shall be kept at the principal office of the corporation and shall be available at all reasonable times for inspection by officers and directors.

**Section 5. Secretary** – The Secretary shall generally supervise the General Manager in keeping all records of meetings of members, Directors and committees. A staff or extra-hire person may be the recording secretary for Board of Director and committee meetings. Records shall be kept at the principal office of the corporation and shall at all reasonable times be available for inspection by Officers and Directors.

**Section 6. Terms Of Office** – The term of the President, Vice President, Treasurer and Secretary shall be for one fiscal year; and no officer can serve more than two (2) consecutive terms in the same office.

**Section 7. Removal Of An Officer** – Any officer may be removed from office by a two-thirds vote of a quorum of the Board of Directors but only after such officer shall have had the opportunity of a hearing before the Board.

**Section 8. Vacancies** – The Board shall have the power to fill any vacancies which may occur in any office.

**Section 9. General Manager** – The General Manager is appointed by the Board of Directors and serves at the pleasure of the Board.

## ARTICLE VII – AMENDMENTS

**Section 1. General Amendments** – The By-Laws of this corporation may be amended by the vote of two-thirds of a quorum of the Board of Directors at any meeting of said Board, providing that the notice of such meeting shall state that the matter of amending By-Laws shall come before the meeting.

**Section 2. Number Of Directors & Terms Of Office** – The number of Directors, or their terms of office, may not be changed without the written vote or assent of members entitled to exercise a majority of the voting power of the corporation, or the vote of a majority of a quorum at a meeting of the members duly called.

**Section 3. By-Laws Review** – The By-Laws shall be reviewed and updated, if necessary, every three (3) years.

## ARTICLE VIII – ADMISSION, TERMINATION, ETC. OF MEMBERSHIP

**Section 1. Application and Membership** – Every person or firm desiring to become a member of the corporation shall file an application for membership with the General Manager and shall submit therewith the membership fee. The application will then be presented by the Membership Committee to the Board of Directors for approval.

**Section 2. Transfer Of Membership** – A membership shall not be assignable or transferable, except as approved by the Board of Directors.

### **Section 3. Termination Of Membership**

**3.1 Voluntary Withdrawal** – Any member may at any time resign his membership and withdraw from the corporation by written resignation addressed to the corporation, and upon fulfillment of all obligations to the corporation, included the payment to the corporation of all sums due and owing by such member.

#### **3.2 Suspension or Expulsion**

3.2.1 Reasons For Action – A member may be suspended or expelled for:

- (1) Failure, refusal, or neglect for a period of thirty (30) days to pay dues and assessments when due;
- (2) Bankruptcy, receivership, or assignment or compromise for the benefit of creditors;
- (3) The willful violation of these By-Laws or any rule or regulation of the corporation; or
- (4) Conduct which is deemed to be detrimental to the best interest of the corporation and its members.

3.2.2 Rights To Written Explanation And Hearing – There shall be no such suspension or expulsion unless the members shall have been given both a fifteen (15) day prior written notice of the suspension or expulsion stating the reasons therefore, and a timely opportunity to send by first-class mail to the last address of the member as shown on

the records of the corporation. The opportunity to be heard may, at the election of such member, be oral or in writing, and shall occur not less than five (5) days before the effective date of termination. The hearing shall be conducted by the Board of Directors, and no suspension or expulsion shall occur except on a two-thirds vote of the Directors, a quorum being present. In conducting the hearing, the Directors shall act in good faith and in a fair and reasonable manner.

**3.3 Financial Obligations At Termination** – Members shall continue to be liable for dues and assessments until their membership is terminated in accordance with these By-Laws.

**3.4 Corporate Rights And Interests** – All rights and privileges of a member in the corporation and in its property shall cease on termination of such members membership.

## **ARTICLE IX – COMMITTEES AND TRUSTS**

**Section 1. Standing And Special** – All committees shall be advisory to the Board of Directors. Standing committees shall include: Building Committee, Education Committee, Ethics Committee, Executive Committee, Finance Committee and Public Relations/Membership Services Committee. In addition, there are two independent trusts: MBA Insurance Trust and the MBA Scholarship Trust; and an independent Political Action Committee.

**Section 2. Size And Ratification** – Each committee will consist of an odd number of members, but not to exceed a maximum of nine (9) members appointed by the President and ratified by the Board of Directors.

**Section 3. Officers** – The President shall designate who shall act as chairman of each committee. The committees shall select their own secretaries.

**Section 4. Length Of Service** – No director shall serve as chairman for more than three consecutive years and no committee members for more than six consecutive years on the same committee.

**Section 5. Quorum And Attendance** – Committee quorums shall be the majority of any committee. Members present may continue to do business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

Members missing three consecutive committee meetings, unless excused or for health reasons, shall be removed from further committee meeting responsibility.

## **ARTICLE X – MEETINGS OF MEMBERS, DIRECTORS AND COMMITTEES**

**Section 1. Annual Meetings** – Annual meetings of members shall be held at the pleasure of the Board.

**Section 2. Directors Meetings** – Regular meetings of Directors shall be held monthly.

**Section 3. Special Meetings** – Special meetings of members may be called by the Board of Directors or at the written request of five (5) percent of the general members

at any time. Special meetings of Directors may be called by the President or any five (5) Directors at any time.

**Section 4. Place Of Meetings** – Meetings shall be held at such times and places as the President or Board of Directors may designate.

**Section 5. Notice Of Meetings** – Notice of all general membership meetings shall be by announcement in the Weekly Bulletin or by first class mail at least ten (10) days before the date of the meeting for members who, on the record date for notice of the meeting, are entitled to vote thereat. Notice of Directors' meetings shall be given by written notice to each Director and mailed at least three (3) days prior to the date of the meeting.

**Section 6. Quorum, Percentage Required** – Three percent (3%) of the voting members, present in person or by proxy, shall constitute a quorum for the transaction of business at a meeting of the members.

**Section 7. Proxies, Rights Of Members** – Every person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the Secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, facsimile or e-mail) by the member or the member's attorney in fact.

**Section 8. Action Without Meeting** – Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors at their next regular meeting.

**Section 9. Participation By Conference Telephone** – Members of the Board may participate in a meeting through the use of conference telephone or similar communication equipment, as long as all members participating in such meeting can hear one another. Such action shall be ratified by the Board of Directors at their next regular meeting.

**Section 10. Quorums** – A majority of the members of the Board shall constitute a quorum at any meeting of Directors. The majority count of the members of any committee, shall constitute a quorum. All meetings at which a quorum count has been achieved shall continue to be valid meetings even though one or more members may leave.

## ARTICLE XI – MISCELLANEOUS

**Section 1. Disbursements** – All disbursements of the corporation's funds shall be as determined by the Board of Directors. All checks or withdrawal orders in excess of \$100.00 (One Hundred Dollars) must be signed by at least two (2) signatures as approved for the purpose by the Board of Directors.

**Section 2. Rules Of Order** – All meetings shall be conducted according to Alice Sturgis' Standard Code Of Parliamentary Procedure.

**Section 3. Fiscal Year** – The fiscal year of this corporation shall begin with the first day of October and end with the thirtieth day of September of the following year.

**Section 4. Application Fees And Dues** – The application fee and dues shall be as now provided or as hereafter from time to time may be changed by a vote of two-thirds of a quorum of the Board of Directors at any meeting of said Board noticed for that purpose.

**Section 5. Indemnification** – This corporation shall, to the maximum extent permitted by the California General Corporation Law, indemnify each of its agents against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceedings arising by reason of the fact any such person is or was an agent of the corporation. For the purposes of this section, an “agent” of the corporation includes any person who is or was a Director, officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a Director, officer, employee, trustee, or agent of another corporation, trust, or other enterprise.

**Section 6. Annual Report to Members**

**6.1 Member Distribution** – The corporation shall notify each member yearly of the member’s right to receive a financial report containing the information set forth below in this Section 7. Upon receipt of written request from a member, the Board of Directors shall promptly cause a copy of the most recent annual report to be sent to the requesting member.

**6.2 Preparation Time** –An annual report shall be prepared not more than 120 days after the close of the corporation’s fiscal year.

**6.3 Report Content** – The annual report shall contain the following information in appropriate detail:

- (1) A balance sheet as of the end of the fiscal year and an income statement of change in financial position for the fiscal year.
- (2) A Statement of the place where the names and addresses of the current members may be found.
- (3) Any information required by Section 8322 of the California Corporations Code regarding transactions with interested persons and indemnification of such persons.

**Section 7. Minutes Of Meetings** – All records of meetings of members, Directors and committees shall be available for inspection by members at all reasonable times provided they make a request to inspect the records through the Board of Directors.

**ARTICLE XII – METHOD OF DISTRIBUTION OF ASSETS IN THE EVENT OF DISSOLUTION OF THE MARIN BUILDERS ASSOCIATION**

**Section 1. Dissolution Of Organization** – In the event of dissolution of the Marin Builders Association and MABEX, those assets remaining, after all obligations have been paid, belong to current General Members and qualified Honorary Members. A General Member, or an Honorary Member who was a former General Member, must have belonged to the Marin Builders Association at least four years in order to participate in the distribution of assets. Living qualified Honorary Members shall participate in any dissolution proceeds in the same manner as current General Members and in accordance with these By-Laws.

**Section 2. Distribution of Assets** – Distribution will be calculated on the basis of ten years of general membership equaling one full unit at distribution. Partial units are vested as follows: at four years, the general member will be entitled to 40 percent of a full unit. In each succeeding year, an additional 10 percent will accrue, with full vesting taking place after ten years of membership as a general member of the Marin Builders Association.

**ARTICLE XIII – CORPORATE ACTIVITIES**

Notwithstanding any statement of purposes or powers, this corporation shall not, except to an insubstantial degree, engage in any activities that are not in furtherance of its primary purpose.

I certify that the foregoing amended By-Laws were duly adopted at the Marin Builders Association Board of Directors meeting dated July 11, 2006.

\_\_\_\_\_  
Brock Wagstaff, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Keith Dotto, Secretary

\_\_\_\_\_  
Date