

**AMENDED AND RESTATED
BYLAWS
OF THE
BUILDERS ASSOCIATION OF NORTHWESTERN PENNSYLVANIA**

**ARTICLE I
Name, Location, and Affiliations**

Section 1. The name of this Association shall be BUILDERS ASSOCIATION OF NORTHWESTERN PENNSYLVANIA.

Section 2. The principal office of this Association shall be located at such other place as the Board of Directors may from time to time designate.

Section 3. This Association is and shall be an Affiliated Association of the National Association of Home Builders of the United States and the Pennsylvania Builders Association and shall abide by their respective Bylaws as the same may be amended from time to time.

Section 4. The operations of this Association shall be conducted in the territory assigned to its jurisdiction now and hereafter by the National Association of Home Builders.

**ARTICLE II
Purposes**

Section 1. The purposes of this Association to the extent permitted by law shall be:

(A) To associate businesses involved with the building industry within its jurisdiction for the purpose of mutual advantage and cooperation.

(B) To collaborate with all fields related to the building industry within the Association's jurisdiction for the benefit of the industry as a whole.

(C) To assist in the accomplishment of the mutual objectives of the National Association of Home Builders of the United States and the Pennsylvania Builders Association.

(D) To advocate and encourage the advancement and improvement of building products and techniques.

(E) To develop and maintain a high appreciation of the objectives and responsibilities of its Members in fully serving the public.

(F) To operate without profit and no part of the income of the Association shall enure to the benefit of any individual Member.

(G) To promote and protect home ownership among the people.

(H) To advocate the standardization of building codes throughout the nation.

(I) To work for the elimination of governmental orders improperly restricting the building industry, and to support beneficial directives.

(J) To issue such publications as may be necessary to disseminate information of value to its Members, the public and the government.

(K) To serve, advance and protect the welfare of the building industry in such a manner that adequate housing will be made available by private enterprise to all Americans.

(L) To comply with all federal, state and local laws.

ARTICLE III **Code of Ethics for Members**

Section 1. Members of this Association shall be limited to those persons, partnerships, corporations or other legally recognized entity who meets with the approval of the Board of Directors and who shall subscribe to the following Code of Ethics ("Member"):

(A) Members of the Association believe and affirm that:

(1) Home ownership can and should be within the reach of every American family.

(2) Homes, rental units, commercial, industrial and institutional structures should be well designed and constructed.

(3) Construction should be accomplished under the American free-enterprise system.

(B) To achieve these goals, Members pledge allegiance to the following principles and policies:

- (1) Our paramount responsibility is to our customers, community and country.
- (2) Integrity, honesty, sincerity, completeness are our guiding business policies.
- (3) High standards of health, safety and sanitation shall be built into every home.
- (4) Members shall deal fairly with their respective employees, subcontractors and suppliers.
- (5) As Members of a professional Association which is affiliated with a progressive industry, we encourage research and development of new materials, techniques, systems and financing, to the end that every purchaser may get the greatest value possible for every dollar expended.
- (6) All sound legislative proposals affecting our industry and the people we serve shall have our informed and vigorous support.
- (7) We hold inviolate the free enterprise system and the American way of life. We pledge our support to our Members, our local, state and national Associations and all related industries concerned with the preservation of legitimate rights and freedoms.

(C) We assume these responsibilities freely and solemnly, mindful that they are part of our obligation as a Member of the Builders Association of Northwestern Pennsylvania, Pennsylvania Builders Association, and the National Association of Home Builders of the United States.

ARTICLE IV

Membership

Section 1. CLASSIFICATION OF MEMBERS. The Association shall have the following classes of Members. The designation of such classes and the qualifications of the Members of such classes shall be as follows:

(A) BUILDER MEMBERS. Any Member who is or has been in, or employed by a firm or corporation in the business of building or rebuilding homes, apartments, schools, commercial, industrial, or other structures normally related and appurtenant to a community, or

in land development, who is of good character and reputation, who subscribes to the Code of Ethics of the Association, and who meets with the approval of the Board of Directors, shall be eligible to be a Builder Member.

(B) ASSOCIATE MEMBERS. Any Member who is or has been engaged or employed by a firm or corporation engaged in a trade, business, industry, or profession related to building industry and not inconsistent with the objectives of this Association, who is of good character and reputation, who subscribes to the Code of Ethics of the Association, and who meets with the approval of the Board of Directors, shall be eligible to be an Associate Member.

(C) AFFILIATE MEMBER. Any Member who does not qualify for membership in the Association as either a Builder Member or Associate Member who conducts their trade or business in a manner not inconsistent with the objectives of the Association, who is of good character and reputation, and who meets with the approval of the Board of Directors, shall be eligible as an Affiliate Member.

(D) LIFE MEMBER. Any Member of the Association nominated by the Membership Committee and so designated by the affirmative vote of three-fourths (3/4) of the Members of the Board of Directors present shall be a Life Member of the Association, provided the Member: (i) has attained the age of 65 years; (ii) has retired from active participation in the building industry; and (iii) was a Member in good standing for 15 or more consecutive years before retirement. A Life Member shall be entitled to such benefits as the Board of Directors may establish from time to time.

Section 2. ACCEPTANCE OF MEMBERS.

(A) Applicants for membership shall apply in a form satisfactory to the Board of Directors which contains, among other things, an agreement by the applicant to abide by these Bylaws as the same may be amended from time to time, and such information showing that the Applicant meets the requirements of the preceding Section 1. The application form shall be endorsed by at least one Member of the Association who is acquainted with the Applicant for membership and shall be accompanied with a payment equal to the then current initiation fee(s) and annual dues. On approval by the Board an Applicant shall become a Builder Member, Associate Member or Affiliate Member, as appropriate. Payment of the initiation fee and dues shall be refunded if membership is not approved. Prior to approval, the Board may require a hearing on an application if it has reasonable grounds to believe that the reasons set forth in Section 3, below, for suspension or revocation of membership, may exist. The provisions of Section 3. shall apply to such hearing except that a majority vote shall be sufficient for approval of the Applicant.

(B) Applicants approved and accepted by this Association shall be members of the National Association of Home Builders of the United States and the Pennsylvania Builders Association, and while in "good standing," shall be entitled to the full benefits, services and

privileges of such respective Associations. For purposes of these Bylaws, "good standing" shall mean among other things that the Member shall be in compliance with all of the obligations owed to the Association (financial and otherwise), shall be actively engaged in Association activities, and shall meet such other requirements as the Board of Directors may establish from time to time.

Section 3. SUSPENSION, REVOCATION AND FORFEITURE OF MEMBERSHIP.

(A) The Board of Directors by a two-thirds (2/3) vote may suspend or revoke the membership of any Member for: (a) failure to meet financial obligations to the Association; (b) conduct detrimental to this Association; or (c) failure to comply with these Bylaws. The Member shall be given at least thirty (30) days written notice in advance of the meeting of the Board at which the vote is to be taken, and shall be afforded a reasonable opportunity to be heard.

(B) A vote of two-thirds (2/3) of the Board shall be required to reinstate any membership suspended or revoked. Reinstatement shall be subject to such conditions as the Board may impose.

(C) Any Member may resign at any time for any reason which shall result in termination of membership and a forfeiture of dues, rights, services and privileges. The death of any individual Member shall not result in a forfeiture of membership if the heirs of the Member carry on the business of the deceased Member and otherwise comply with these Bylaws. These circumstances not prevailing, membership shall be forfeited ninety (90) days after the death of the Member.

Section 4. MEETINGS OF THE MEMBERS.

(A) An annual meeting of the membership of this Association shall be held in November of each year, or at such other time as the Board may designate, for the express purpose of electing the Board of Directors and such other matters as may properly come before the general membership.

(B) Regular meetings of the membership of this Association shall be held at such time and place as the Board of Directors may designate.

(C) Special meetings of the membership of this Association may be called by the President, or, if requested in writing, by a majority of the Members of the Board of Directors.

(D) Notice shall be given of the date, hour, and place of all meetings to each Member at least five (5) days in advance.

ARTICLE V
Initiation Fee and Dues

Section 1. INITIATION FEE. The initiation fee of the Association shall be established by the Board of Directors.

Section 2. DUES. The dues of this Association shall be established by the Board of Directors and shall include those required for membership in the National Association of Home Builders of the United States and the Pennsylvania Builders Association which this Association shall collect and remit in accordance with the requirements of the National and Pennsylvania Associations.

ARTICLE VI
Board of Directors

Section 1. COMPOSITION AND AUTHORITY. The Board of Directors shall be the governing body of the Association which shall be comprised of not less than five (5) Directors, irrespective of the number of Members of the Association. At the annual meeting, the Membership shall elect one Director for every fifty (50) Members of the Association, alternating between seats to be held by a Builder Member and an Associate Member. Directors shall serve a three-year staggered terms such that approximately one-third (1/3) of the Directors shall be elected each year at the Association's Annual Meeting. Each Director shall hold office from January 1st of the year immediately following his or her election, and shall serve until a successor is duly elected and qualified. Directors may serve multiple terms.

Section 2. EX-OFFICIO MEMBERS; MEMBER-AT-LARGE. The President, Vice Presidents, Secretary, Treasurer, Past President, MemberatLarge, Council Chairs and the Association's Solicitor shall be ex-officio members of the Board of Directors with full voting privileges, except that the President shall only vote in the event of a tie. The MemberatLarge shall be chosen annually by the President, and shall serve as the liaison between the Board and the Members.

Section 3. CHAIRMAN. The President shall be the Chairman of the Board of Directors.

Section 4. VACANCIES. Vacancies on the Board because of disability, death, revocation or resignation shall be filled by appointment of the President, subject to the concurrence of a majority of the Directors. Persons so appointed will serve until the next Annual Meeting of the Membership.

Section 5. NATIONAL AND STATE DIRECTORS. The Board shall prescribe the method of selection of any National and State Directors and Alternate Directors to which the Association is entitled under the provisions and conditions prescribed in the Bylaws of the National and Pennsylvania Associations.

Section 6. MEETINGS. Meetings of the Board of Directors shall be held as follows:

(A) Regular Meetings of the Board of Directors shall be held on such date, time and place as the Board may direct, and shall be held not less frequently than six times each calendar year.

(B) Annual meetings of the Board shall be held immediately following the annual meeting of the membership for the purpose of electing the officers of the Association and such other matters as may properly come before the Directors.

(C) Special meetings of the Board of Directors may be called by the President or upon the request in writing of a majority of the Directors.

(D) Notice of the date, hour and place of all meetings shall be given to the Directors at least five (5) days in advance.

Section 7. VOTING. A simple majority vote shall decide an issue provided a quorum is present.

Section 8. QUORUM. Two-thirds of the number of regular members of the Board of Directors at a meeting shall constitute a quorum. (For example, when there are six (6) regular members of the Board of Directors, a minimum of four (4) members, either regular or ex-officio members, must be present at the meeting in order to constitute a quorum.)

ARTICLE VII

Officers

Section 1. The following Officers shall be elected by the Board of Directors at its Annual Meeting and shall hold office for a term of one (1) year or until their successors are duly elected and qualified:

(A) A President who shall be a Builder Member or an Associate Member of the Association, in good standing, who, in the judgment of the Board of Directors, has demonstrated active involvement in the Association and the ability to fulfill the duties and responsibilities of the office. The President shall be the chief officer of this association and shall preside at its meetings and those of the Board of Directors. The President shall appoint all

committees, shall be an ex-officio member of all committees, shall perform all other duties usual to such office, and shall preside at the meetings of the Executive Committee.

(B) A First Vice President, who shall be a Builder Member of the Association in good standing, shall perform such duties as are assigned by the President. Upon direction by the President, the First Vice President shall perform all of the duties of the President.

(C) A Second Vice President, who shall be an Associate Member of the Association in good standing, shall perform such duties as are assigned by the President. In the absence of the President, or upon direction, the First Vice President, the Second Vice President and in the absence of both the President and First Vice President, shall perform all of the duties of the President.

(D) A Treasurer, who shall be responsible to the Association for an accounting of all monies collected and disbursed by the Association and shall render a monthly report to the Board of Directors and an annual report to the membership, and upon direction of the President, may perform other duties appropriate to this office.

(E) A Secretary, who shall keep a record of all of the official proceedings of this Association and its Board of Directors, including the reports of committees and, upon direction of the President, may perform other duties appropriate to this office.

Section 2. SUCCESSION OF OFFICE.

(A) In the event of the absence, disability, resignation, or death of the President, then the First Vice President or Second Vice President shall act as President of the Association. Should neither the President nor the First Vice President be able to serve for any of the foregoing reasons, then the Second Vice President shall act as President of the Association. If the Second Vice President is unable to serve for any of the foregoing reasons, then the Treasurer shall act as President. If the Treasurer should be unable to serve for any of the foregoing reasons, then the Secretary shall act as President. The officer so designated to act as President shall serve until such time as the Board of Directors elects from among its Builder Members and Associate Members in good standing, a President to fill the unexpired term.

(B) In the event of a vacancy, other than in the office of the President, the Board of Directors shall name from among either its Members or the membership, a successor to fill the unexpired term.

ARTICLE VIII **Administrative Offices**

Section 1. An Executive Officer may be employed by the Board of Directors at such rate of compensation as it deems fair and proper.

Section 2. The Executive Officer shall serve as the chief operating and administrative officer of this Association and shall perform the duties and responsibilities delegated by the Board of Directors, the Executive Committee and all other functions usual to such office.

Section 3. The Executive Officer shall be empowered to employ and supervise an adequate staff to carry on the business of this Association as instructed by the Board of Directors and/or Executive Committee within the limitations of the budget.

ARTICLE IX

Voting, Quorums, Proxies

Section 1. All Members of the Association in good standing shall be entitled to vote at meetings of the Membership except as may be provided in other Sections of these Bylaws. Affiliate Members shall not be entitled to vote.

Section 2. A simple majority vote shall decide an issue provided a quorum is present.

Section 3. The presence of twenty-five percent (25%) of the Members in good standing at a meeting of the membership shall constitute a quorum; provided, however, that Affiliate Members shall not be counted either in the number of Members necessary to achieve a quorum or whether a quorum is present at the meeting.

Section 4. Members may vote by proxies which shall be counted for purposes of determining whether a quorum is present. Proxies must be in writing, bear a date not more than thirty (30) days in advance of the meeting at which the proxy is to be used, and designate another Member to vote for the Member who has issued the proxy. Proxies need not include instructions as to the way in which the vote is to be cast. Proxies may not be used by Directors and Officers when they vote in such capacities.

ARTICLE X

Elections

Section 1.

(A) There shall be a Nominations Committee composed of the Past President and three Members appointed by the President. Appointments shall be made and notice given to

the membership at least five (5) days in advance of an election. The Immediate Past President or other appointed Member shall be the Chairman of the Committee.

(B) The Committee shall solicit the membership, consider recommendations, and shall nominate at least one candidate for each office to be filled unless otherwise set forth in this Article. The Committee may resolve questions relating to the nomination of candidates, suggest rules of procedures for the elections, and, upon direction of the President, perform other appropriate duties.

Section 2.

(A) The Association Directors shall be elected at the Annual Meeting of Membership. The Nominations Committee shall submit its report at such meeting. Additional nominations may be made from the floor.

(B) Whenever only one nomination for an elective office is presented to the membership, election may be by voice vote. Whenever more than one nomination is presented, vote shall be by secret ballot. If more than two candidates are named for an office, a majority of the Members voting shall be necessary to elect.

ARTICLE XI **Committees and Councils**

Section 1. COMMITTEES.

(A) The President with the advice and consent of the Board of Directors shall upon taking office establish Standing Committees for the Association except as may otherwise be specifically provided for in these Bylaws.

(B) The Chairman and Members of all committees of the Association shall be appointed by the President except as otherwise specifically provided in these Bylaws.

(C) A President may, with the advice and consent of the Board of Directors, remove the Chairman or Members of any committee appointed pursuant to this Article.

(D) Special committees may be appointed by the President as deemed advisable.

(E) Meetings of all committees shall be upon the call of the Chairman with the approval of the President.

(F) A simple majority vote in the committee shall decide an issue provided a quorum is present.

(G) The presence of one-half of the committee Members at a meeting shall constitute a quorum.

Section 2. COUNCILS.

(A) There shall be within the Association such Councils as the Board of Directors may from time to time find necessary to serve adequately the needs of respective Members of this Association.

(B) The activities of the Council shall be managed by a Chairman and Board of Trustees composed of not less than three Members.

(C) The Councils shall operate subject to these Bylaws and the rules and procedures which shall be adopted and may be amended by the Council membership; provided such operations, rules and procedures shall be subject to approval by the Association's Board of Directors.

ARTICLE XII
Finance

Section 1. The fiscal year of this Association shall be the year commencing on the first day of September and terminating on the last day of August.

Section 2. The Board of Directors shall adopt a budget for each fiscal year, and this Association shall function within the total of such budget. Any expenditure in excess of an approved budget must be authorized by the Board of Directors.

Section 3. Dues and other monies collected by the Association shall be placed in a depository selected by the Board of Directors.

Section 4. The following Officers of the Association, and any others as may from time to time be authorized by resolution of the Board of Directors, shall have authority to sign checks for and on behalf of the Association: President, Treasurer, and Executive Vice President. The signature of any two (2) of the foregoing shall be necessary on all checks drawn on account of the Association.

Section 5. The President or any other Officer of the Association duly authorized to act for him or her in a specific instance may execute contracts. The Board of Directors may also

authorize any Officer or agent of the Association, in addition to the Officers authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 6. The Board of Directors may by a three-fourths vote authorize the creation of reserve funds for the future operation of the Association. Such funds may be used for such purposes as may be authorized by a three-fourths vote of the Board of Directors.

Section 7. In the event of dissolution of the Association, the assets of the Association shall, after appropriate provision for its debts and liabilities, be distributed in any liquidation proceeding to a corporation, trust, or association which is not organized for profit and is exempt from federal income taxation under the Internal Revenue laws applicable at the time of such dissolution.

ARTICLE XIII **Rules of Procedure**

Roberts' Rules of Order shall govern the parliamentary procedure of the meetings of the Association provided for in these Bylaws.

ARTICLE XIV **Amendments**

These Bylaws may be amended by a three-fourths vote of the Board of Directors at any meeting provided (a) the attendance at such meeting constitutes a quorum, and (b) that a copy of any proposed amendment shall have been mailed to each Member of the Board at least (30) days in advance.

ARTICLE XV **Executive Committee**

Section 1. There shall be an Executive Committee of this Association which shall be composed of the President, who shall be the Chairman, the Vice Presidents, Secretary, Treasurer, Member at Large, Solicitor and Past President.

Section 2. This Committee shall, between meetings and subject to the approval of the Board of Directors, conduct the affairs of the Association in accordance with these Bylaws and the policies adopted by the Board of Directors.

Section 3. This Committee shall meet upon the call of the President, the Board of Directors, or any two (2) of its Members. Three (3) Members shall constitute a quorum.

ARTICLE XVI
Notices and Designated Representatives

Members shall furnish the Executive Vice President with their official address. The mailing of any notice to the last known official address shall be deemed service of such notice or notices upon them as of the date of the mailing. Each Member which is not an individual shall furnish the Executive Vice President with notice of such Member's designated representative who shall be authorized to act on behalf of each such Member, including vote.

ARTICLE XVII
Personal Liability, Indemnification

Section 1. PERSONAL LIABILITY OF MEMBERS.

(A) No Board Member shall be personally liable for monetary damages as such for any action taken, or any failure to take action, unless:

(1) The Board Member has breached or failed to perform the duties of his office under Section 8363 of the Pennsylvania Directors' Liability Act (relating to standard of care and justifiable reliance); and

(2) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(B) The provisions of this Section 1 shall not apply to:

(1) The responsibility of a Board Member pursuant to any criminal statute; or

(2) The liability of a Board Member for the payment of taxes pursuant to local, state, or federal law.

(C) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken by a Board Member or the failure to take any action shall be presumed to be in the beset interest of the Association.

Section 2. INDEMNIFICATION.

(A) Parties qualifying for indemnification hereunder shall be all present and past Officers, Members, Directors, committee or council Members, employees or agents of the Association, their heirs, executors and administrators and such other parties as may be qualified by the Association.

(B) The Association shall indemnify all parties qualified under Paragraph A of this Section 2 who were or are parties, or who are threatened to be made parties (other than a party plaintiff suing on his or her own behalf), to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of actions carried out within the scope of such parties' duties to the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such parties in connection with such action, suit or proceeding, to the extent that such parties are not insured or otherwise indemnified, to the full extent permissible under Pennsylvania law.

(C) Upon request for indemnification or for an advance against expenses of fees under this Section 2, the Board Members shall determine whether such indemnification or advance is permissible under this Section 2 or such determination may be made by independent legal counsel if the Board Members so direct.

(D) The Board Members shall have the power to authorize and shall authorize that expenses and fees incurred in defending any action, suit or proceeding to which parties qualifying for indemnification under Paragraph A of this Section 2 are made, or threatened to be made a party, shall be paid by the Association in advance of final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such party to repay such amounts if it shall ultimately be determined that such party is not entitled to be indemnified by the Association under authority of this Article.

Notwithstanding any other provisions of this Article, to the extent that any party qualified under Paragraph A of this Section 2 has been successful on the merits or otherwise in defense of any action, suit or proceedings referred to in this Section 2 or in defense of any claim, issue or matter therein, such party shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such party in connection therewith, to the extent that such party was not insured or otherwise indemnified.

(E) The foregoing right of indemnification shall not be exclusive of other rights to which parties qualified for indemnification under this Section 2 may be entitled as a matter of law, contract or otherwise.

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AMENDED AND RESTATED

BYLAWS

OF THE

BUILDERS ASSOCIATION OF NORTHWESTERN PENNSYLVANIA

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