

ASSOCIATION BYLAWS

BYLAWS
General Building Contractors Association, Inc.
Effective January 12, 2004
of the
General Building
Contractors
Association, Inc.
Philadelphia Builders'
Chapter/[Associated](#)
[General Contractors](#)
[of America, Inc.](#)

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ARTICLE I

Name

SECTION 1. The name of this Association is General Building Contractors Association, Inc.

ARTICLE II

Purposes and Objects of the Association

SECTION 1. This Association is affiliated with the Associated General Contractors of America, Inc., as its Philadelphia Builders' Chapter. Its purposes and objects are as follows:

- (a) To make membership in this Association a reasonable assurance to the public of the skill, integrity and responsibility of its members.
- (b) To maintain the standards of the contracting business at the level commensurate with its character and to establish members of the Association in the public mind as contractors who fulfill obligations in good faith and with consummate skills.
- (c) To provide an organized means whereby persons engaged in the industry may meet and exchange ideas relative to the industry so that fair dealing and a high standard of business ethics will be developed and fostered.
- (d) To promote more cordial and cooperative relations between contractors and those persons with whom they deal, including architects, engineers and other professional groups engaged in the building construction industry.
- (e) To correct injurious, discriminatory or unfair business methods practiced by or against contractors.
- (f) To eliminate waste and reduce cost of construction through every generally accepted means and by every lawful method.
- (g) To operate and promote safety and accident prevention programs thereby lessening the occurrence of injury or death to persons engaged in construction.
- (h) To establish standardized contracts and to coordinate such contracts so that the respective interests of owners, contractors, manufacturers, dealers, and the public will be properly protected.
- (i) To engage in collective bargaining with labor in order to eliminate work stoppages, protect the interests of the public, and promote harmonious relations between employers and employees and to adjust such differences as may arise between them from time to time.
- (j) To provide a means whereby persons engaged in the building construction industry may meet, fraternize and discuss matters relating to the industry generally.
- (k) To promote social relations among its members in aid of harmonious relations in the industry.
- (l) To compile and assemble local statistics relating to the industry, to facilitate the education of apprentices and other personnel engaged or to be engaged in the building construction industry and to educate persons engaged in the building construction industry in the more effective use of new materials, techniques and other facilities which will inure to the benefit of the public generally.

ARTICLE III

Governing Authority

SECTION 1. This Association shall be governed and operated in accordance with and by virtue of the laws of the Commonwealth of Pennsylvania, it having been incorporated by decree entered in the Court of Common Pleas No. 2, Philadelphia County, as of March Term 1891, No. 1264, and recorded on April 30, 1891 at Philadelphia in Charter Book 17, Page 300, as Master Carpenters and Builders Company in the City of Philadelphia in accordance with and by virtue of these bylaws and the rules, regulations and policies duly enacted by resolutions of the Board of Directors and/or resolutions duly adopted by its members at meetings which have been convened in accordance with these bylaws. By resolution dated January 12, 1944 the name of the Association was changed to GENERAL BUILDING CONTRACTORS ASSOCIATION pursuant to

Articles of Amendment dated January 14, 1944 and decree entered by Honorable Vincent Carroll on February 11, 1944.

ARTICLE IV

Territory

SECTION 1. The territory in which this Association operates shall be the Counties of Philadelphia, Delaware, Bucks, Chester, Montgomery, Lehigh, Northampton, and Carbon within the Commonwealth of Pennsylvania, the Counties of New Castle, Kent and Sussex in the State of Delaware, the Counties of Kent, Queen Annes, Talbot, Caroline, Dorchester, Wicomico, Somerset, and Worcester in the State of Maryland- The Board of Directors may add to or subtract from the Association's territorial jurisdiction described above without amending these Bylaws, provided that notice of such additions or deletions is provided to the members.

ARTICLE V

Membership

SECTION 1. The members of this Association shall be divided into eight classes: Division I Active General Contractor, Division I Active Specialty Contractor, Division I Associate, Division II Active General Contractor, Division II Active Specialty Contractor, Division II Associate, Affiliate and Honorary. Active General Contractor members shall automatically become members of the Associated General Contractors of America, Inc. Similarly, Active Specialty Contractor members, Associate and Affiliate members, shall automatically become Associate members of the Associated General Contractors of America, Inc.

SECTION 2. Any individual, partnership, firm or corporation regularly engaged in general building or specialty construction shall be eligible for Active membership, subject to the provisions of Section 7 hereof. A partnership, firm or corporation shall be considered as a single member entitled to only one vote.

SECTION 3. There shall be two Divisions of Active Membership within the Association: (a) Division I Active; and, (b) Division II Active.

(a) Division I Active membership shall encompass any business ~~or~~ organization which is engaged in general building or specialty construction and which has a collective bargaining agreement relationship with any labor union and which does not opt for Associate membership status.

(b) Division II Active membership shall encompass any business organization which is engaged in general building or specialty construction and which does not have a collective bargaining relationship with any labor union and which does not opt for Associate membership status.

SECTION 4. There shall be two Divisions of Associate Membership within the Association: (a) Division I Associate, and (b) Division II Associate.

(a) Division I Associate membership shall encompass any individual, firm, partnership or corporation engaged in specialty construction which has a collective bargaining relationship with any labor union but who does not desire Division I Active membership status.

(b) Division II Associate membership shall encompass any individual, firm, partnership or corporation engaged in specialty construction which does not have a collective bargaining relationship with any labor union but who does not desire Division II Active membership status.

SECTION 5. Any individual, firm, partnership or corporation shall be eligible for Affiliate membership if their firm is -

(a) Engaged in business as material suppliers to the building construction

industry, or

(b) Not engaged in building construction or classified in clause (a) hereof, but engaged in the servicing of the building construction industry.

SECTION 6. At the discretion of the Board of Directors and upon the affirmative vote of all of the directors present, any person may be elected as an honorary member of the Association.

SECTION 7. An application for membership, and financial reference form, prescribed by the Board of Directors, in any of the classes must be submitted by any prospective member for approval by the affirmative vote of two-thirds of the Board of Directors present when considering such application. No applicant who is or within the previous three years has been delinquent by more than 30 days in any fringe benefit contribution obligation owed under any agreement with one or more of the Unions with which the Association bargains shall be eligible for membership unless, at the discretion of the Board, good cause is shown for accepting the application. Thereafter, after definitive action has been taken upon such application by the Board of Directors, as soon as practically possible, the Executive Vice President of the Association shall notify the applicant of the disposition of his application.

SECTION 8. Members of any classification may resign as of the end of the current calendar year only if written notice of their intention to do so is received at the offices of the Association at least thirty (30) days prior to the end of the said year, accompanied by a remittance, in full, for all dues, assessments and penalties then owing and which will become owing as of the end of said year. Failure to tender written notice of resignation as aforesaid shall obligate such member for the payment of dues and assessments for the ensuing year at the discretion of the Board.

SECTION 9. An Active member who is not in good standing at the particular time shall not be entitled to vote on any question. Member shall have the right to deputize his, their, or its right to vote to any person a permanent part of the personnel of such member, for any purpose.

ARTICLE VI

Government

SECTION 1. The Officers of the Association shall consist of a Chairman of the Board, one Senior Vice Chairman, one Vice Chairman, a Treasurer, and a President and Chief Executive Officer. All Officers of the Association other than the President and Chief Executive Officer shall be chosen from the Active General and Active Specialty Contractor membership. As a condition of continuing in office, each of the Officers other than the President and Chief Executive Officer must remain active in their respective building and construction firms and their respective firms must retain Active membership in the Association. With the exception of the President and Chief Executive Officer, such Officers, together with the Immediate Past Chairman of the Board (formerly, Past President) and one Director chosen from a vote among the Active Specialty and Associate Member Directors, shall constitute the Executive Committee.

SECTION 2. The Board of Directors shall include the Chairman of the Board, the Senior Vice Chairman and Vice Chairman, the Treasurer, fifteen (15) Directors chosen from the Active General Contractor membership, up to six (6) Directors chosen from the Active Specialty Contractor membership, and three (3) Directors chosen for three (3) year terms from the Associate Member Executive Committee by their own body, and Past Chairmen of the Board. Past Chairmen of the Board shall continue to serve on the Board as Past Chairmen of the Board indefinitely so long as they remain active in their respective construction firms and that their respective firms retain Active membership in the Association. As a condition of continuing in office, each of the Directors chosen from the Active membership must remain active in their respective building and construction firms and their respective firms must retain active membership in the Association. Likewise, as a condition of continuing in office each of the three

(3) Directors chosen from the Associate Member Executive Committee must remain active in their respective construction firms and their respective firms must retain Associate membership in the Association.

SECTION 3. The determination as to the specific number of Directors to be chosen from among the Active Specialty Contractors will be made in accord with the following ratios: One (1) Director if there are from one (1) to five (5) Active Specialty Contractors; two (2) Directors if there are more than five (5) but less than eleven (11) Active Specialty Contractors; three (3) Directors if there are more than ten (10) but less than sixteen (16) Active Specialty Contractors; four (4) Directors if there are more than fifteen (15) but less than twenty-one (21) Active Specialty Contractors; five (5) Directors if there are more than twenty (20) but less than twenty-six (26) Active Specialty Contractors; six (6) Directors if there are more than twenty-six (26) Active Specialty Contractors.

SECTION 4. The following shall constitute the Association's standing Committees: Executive, Industry Advancement Program, Labor Policy, Education, A.I.A., Carpenter Apprentice, Membership Development, Budget, Associate Member Executive. Additional Committees may be created by the Chairman of the Board. Except for a) the Executive Committee, constituted as provided in Section 1 of this Article, and b) the Nominating Committee, constituted as provided in Section 5 of Article IX, and c) any committee which did not exist during the preceding year, the President shall, during each year of his tenure, reappoint to each committee (whether a standing committee or a committee created by him), at least two-thirds of the persons who served on such committee throughout the immediately preceding year. In addition, on all standing Committees except for the Associate Member Executive Committee, the Chairman of the Board will make a determined effort to insure that the Committee Chairperson is a representative of an Active member.

ARTICLE VII

Officers

SECTION 1. The Chairman of the Board shall be the directing officer of this Association, and in that capacity, shall, but not limited thereto, call all regular, adjourned and special meetings at such times and places as he shall deem necessary. He shall preside at all meetings of the Association and have general supervision over all of its affairs. In accordance with Article VI, Section 4, he shall appoint committees which shall serve for the full term of his tenure of office and shall fill any vacancies as may occur therein. He shall be the Chairman of the Board of Directors and an ex officio member of all committees. As an ex officio member of any committee he shall only have the right to vote in the event of a tie vote.

SECTION 2. The Senior Vice Chairman shall act in the absence of the Chairman of the Board and when so acting perform the duties of the Chairman of the Board in his place and stead, hereby vesting said Senior Vice Chairman with all of the powers and duties which have been vested hereunder in the Chairman of the Board. The Vice Chairman shall only act in the absence of both the Chairman of the Board and the Senior Vice Chairman, and when so acting shall possess all of the rights, powers and duties vested in the Senior Vice Chairman hereby.

SECTION 3. The Treasurer shall receive all monies and be the custodian of all funds of the Association. He shall keep an account of all monies received and expended with the vouchers therefor. No disbursement shall be made without a voucher signed by the Chairman of the Board and the President and Chief Executive Officer. In the absence of either of these Officers a voucher signed by the Senior Vice Chairman shall be sufficient in the place and stead of the one so absent. All checks shall be signed by the Treasurer, or in his absence by the Vice Chairman. At each annual meeting or at such other times as the Board of Directors may require, the Treasurer shall furnish a written report of the financial condition of the Association, including therein, but not by way of limitation, the income, disbursements and balance on hand. All sums received by the Association shall be deposited in the name of the Association in such bank as

may be designated by the Board of Directors. The Treasurer shall cause to be maintained a safe deposit box in a banking institution designated by the Board of Directors in the name of the Association in which shall be kept all of its other valuable effects, including stocks, bonds and other securities; provided, however, that any bills or other short term obligations issued by the United States Government or any of its agencies need not be kept in such box, but instead may, on the direction of the Treasurer, and either the Chairman of the Board, Senior Vice Chairman, or Vice Chairman, acting jointly, be received by such designated institution, held by it for the account of the Association and redelivered by it to the Association on demand. Access to said safe deposit box shall be joint by any two from among the Treasurer, and either the Chairman of the Board, Senior Vice Chairman or Vice Chairman. In the event that the Treasurer shall not be available, then access thereto may be had by any two from among the remaining designated Officers. The books, vouchers and records of the Treasurer, maintained by the staff of the Association in behalf of said Treasurer, shall be open at all times for inspection by the Board of Directors and by any auditing committee or certified public accountants selected by the Board of Directors.

SECTION 4. The President and Chief Executive Officer shall be appointed and employed by the Board of Directors at such salary and upon such terms and conditions as the Board of Directors may direct. The President and Chief Executive Officer shall be charged with the executive management of the company's office, membership extension, development of income, attainment of the purposes and objects of this Association and such other duties as may be assigned to him by the Board of Directors. He shall keep the minutes of all meetings including committee meetings and have custody of all of the records and papers relating to the business of the Association which shall be maintained at the offices of the Association. He shall maintain a complete and accurate list of the membership of the Association. He shall employ such assistants and/or personnel to staff the offices of the Association and for the operation of the Industry Advancement Program as he may be authorized to do by the Board of Directors from time to time, such assistants and/or personnel to be under the direct and immediate supervision of said President and Chief Executive Officer.

SECTION 5. All of the Officers of the Association and such of its employees and personnel shall be bonded by the Association in such sum or sums, and with one or more sureties as the Board of Directors shall so determine, for the faithful performance of their duties of office.

SECTION 6. To the extent permissible by law and in accordance with Act 145 of the Pennsylvania Legislature of 1986, known as the Directors Liability Act, no member of the Board of Directors shall be personally liable for monetary damages for any action taken or any failure to take action. The Association shall indemnify any director or officer, and may at the Board's discretion indemnify any other employee or agent (including a Taft-Hartley benefit fund trustee appointed by the Association) against damages and expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in any legal proceeding in which he or she is alleged to have acted or failed to act improperly in relation to the Association or his or her responsibilities as a benefit fund trustee unless such conduct or omission is determined by a court to have constituted willful or intentional misconduct or recklessness. The Association shall pay expenses incurred by any officer or director, and may at the Board's discretion pay expenses incurred by any other employee or agent, in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by this Association. The provisions of this Article shall be deemed to have been amended for the benefit of directors and officers of the Association effective immediately upon any modification of the Pennsylvania Non-Profit Corporation Law (the "NPCL") or the Pennsylvania Director's Liability Act (the "DLA") which expands or enlarges the power or obligation of corporations organized under the NPCL or subject to the DLA to indemnify, or advance expenses to, directors or officers of such corporations. The indemnification and

advancement of expenses approved by, or granted pursuant to, this Article VIII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person. The Association shall procure and maintain such insurance policies as are necessary to secure its obligations hereunder.

SECTION 7. The Association is or may become party to collective bargaining agreements in which it and/or the applicable Industry Fund guarantees some or all of the fringe benefit contribution and dues remittance obligations of members for whom it serves as the exclusive bargaining agent. Each member agrees that if the Association and/or Industry Fund is required to pay money in satisfaction of any such guarantee, the member whose obligations were satisfied shall reimburse the Association and/or Industry Fund for all such payments and costs and any expenses incurred in relation to any claim relating thereto, and shall indemnify, defend, and hold the Association and/or Industry Fund harmless from all claims, demands, suits, damages, attorneys fees and costs relating to the Association's and/or Industry Fund's guarantee on behalf of the member. Neither resignation from the Association nor termination of the exclusive bargaining agency shall relieve unit members of their obligations under this Article. The Association and/or Industry Fund shall be subrogated to the rights and claims of the defaulting member against any surety, owner, contractor, insurance policy or any other party to recover any payments made by the Association and/or Industry Fund hereunder.

ARTICLE VIII

Board of Directors

SECTION 1. The Board of Directors shall have the general management of the affairs and property of the Association.

SECTION 2. The Board of Directors, by its Chairperson shall submit to the Association at its annual meeting a full and complete report of the proceedings during the past calendar year.

SECTION 3. The Board of Directors shall decide all controversies and settle all differences, concerning the affairs of the Association, which may arise from time to time between any members of this Association.

SECTION 4. Each member of the Board of Directors, as defined in Article VI, Section 2 thereof, shall each be entitled to one vote, except that where more than one Director is associated with the same member firm, only one vote may be cast by all Directors associated with such firm, and such vote shall be cast by the Director associated with such firm in attendance at the meeting whose current service on the Board shall have been longest.

SECTION 5. The Board of Directors in its discretion may select and employ such legal counsel and advise as it may deem necessary in discharge of its duties.

ARTICLE IX

Elections

SECTION 1. All Officers, except the President and Chief Executive Officer, shall be elected at the annual meeting of the Active members to serve for a term of one year, and/or until their respective successors have been duly elected and qualified.

SECTION 2. Five (5) Directors shall be elected each year at the annual meeting by a written ballot of the Active General Contractor members to serve for a term of three (3) years or until their respective successors have been duly elected and qualified.

SECTION 3. Each Director chosen from among the Active Specialty Contractor members shall

serve for a term of three (3) years or until his respective successor has been duly elected and qualified. Each said Director shall be elected at the annual meeting by a written ballot of the Active Specialty Contractors.

SECTION 4. In the event of the death, removal or resignation of any Officer or Director so elected, the vacancy shall be filled by a majority vote at any meeting of the Board; provided, nevertheless, that in the event of the death, removal or resignation of the Chairman of the Board of the Association, the Senior Vice Chairman shall become the Chairman of the Board, the Vice Chairman shall become the Senior Vice Chairman and the Board of Directors may, at its sole judgment and discretion, elect a new Vice Chairman, as it deems same to be advisable. In the event of the death, removal or resignation of the Senior Vice Chairman, then the Vice Chairman shall become the Senior Vice Chairman, and the Board of Directors may, at its sole judgment and discretion, elect a new Vice Chairman, as it deems same to be advisable. The one so elected shall serve for the unexpired term of the Officer and Director so dying, or who was removed or resigned and until his successor shall have been duly elected and qualified.

SECTION 5. Nomination of the Officers and Directors shall be made by a Nominating Committee composed of three members appointed by the Chairman of the Board, at least sixty (60) days prior to the date of the annual meeting of the members. The Committee shall deliver a list of the nominees to the President and Chief Executive Officer of the Association at least twenty (20) days before the date of the annual meeting, and the President and Chief Executive Officer shall at least ten (10) days before the date of said meeting mail said list of the candidates so nominated for the respective offices to each member of the Association in good standing. Any vacancies occurring between the date of nomination and the date of the election may be filled by the Nominating Committee up to and including the day of the election. In addition to nominations by the Nominating Committee, other nominations may be made by petition signed by any five Active members in good standing and received at the offices of the Association at least four (4) calendar days prior to the annual meeting. Only Active members in good standing and present at the annual meeting shall be permitted to vote for the election of Officers and Directors in accordance with Article IX, Sections 1,2 and 3. The vote shall be conducted by a written ballot.

ARTICLE X

Meetings

SECTION 1. The annual meeting of the Active members shall be held on the second Monday of January each year, or at such other time as the Chairman of the Board may direct by written notice sent to all Active members in good standing at least ten (10) days before the date so elected, provided, nevertheless, that the Chairman of the Board in his sole discretion may postpone the date of said annual meeting for a period of not more than seven (7) days later than the second Monday in January.

SECTION 2. Special meetings of the Active members shall be called by the Chairman of the Board, by a majority vote of the Board of Directors, or by written request of at least ten (10) Active members in good standing delivered to the President and Chief Executive Officer. Written notice of said meetings shall be given to each Active member in good standing. The purpose of any special meeting shall be stated in the notice and shall also be contained in the written request made by the members as aforesaid, which purpose shall be the only business considered at said meeting.

SECTION 3. Regular meetings of the Board of Directors shall be held each month on the second Monday or at such other time or times as the Chairman of the Board may direct by written notice, sent to each member of the Board of Directors at least three (3) days in advance of said meeting. Meetings of the Board shall not be held during the months of July and August, unless the President deems such meeting necessary for the conduct of the business of the Association in which event each member of the Board shall be given at least three (3) days written notice in

advance of the date thereof.

SECTION 4. Special meetings of the Board of Directors shall be called by the Chairman of the Board at such times and places as he may deem necessary in his sole discretion.

SECTION 5. For all regular and special meetings of the Board of Directors a quorum shall consist of the physical presence at least twelve (12) members of the Board of Directors, as defined in Article VI, Section 2 hereof, and at all annual and special meetings of the membership a quorum shall consist of the physical presence of at least twenty-five (25) Active members in good standing.

SECTION 6. An affirmative vote of a majority shall prevail in all meetings of Active membership and/or the Board of Directors.

ARTICLE XI

Labor Negotiations

SECTION 1. The Labor Policy Committee, which shall be a standing committee to which the President shall appoint members as provided in Section 4, Article VI, shall appoint a representative or representatives to confer with labor committees appointed by labor organizations to negotiate with such committees all questions that may arise relating to the execution of collective bargaining agreements and extensions, renewals, and modifications thereof, the establishment of all wage rates, and the settlement of all differences which may occur from time to time in connection therewith. No activity or finding by such representative or representatives shall be final unless approved by the affirmative vote of the majority of the said Labor Policy Committee and the Board of Directors.

As a condition of appointment to and continued membership on the Labor Policy Committee, each appointee must remain active in his respective construction firm and his respective firm must retain membership status in the Association.

SECTION 2. Multi-employer bargaining unit.

(a) Except as provided in Section 2(b) below, the Association shall be the exclusive bargaining agent on behalf of all its unit members (defined for purposes of this Article as all its Active members and those Associate members who employ field labor in job classifications respecting which the Association bargains) in respect of the negotiation, conclusion and execution of all collective bargaining agreements and extensions, renewals, and modifications thereof covering unit work (defined as commercial, industrial and institutional building construction work performed in the Association's territory, as set forth in Article IV, by workmen in trades with which the Division I members of the Board of Directors of the Association shall from time to time determine that the Association shall bargain as agent on behalf of its unit members). As such, the Association shall constitute a multi-employer bargaining unit, and no unit member shall negotiate a collective bargaining agreement covering unit work, execute such an agreement or otherwise so deal with any union other than through the Association or as authorized in writing by the Association provided, however, that unit members who are or shall become parties to national labor agreements shall not be construed thereby to violate this Article, except in respect of unit work as above defined.

(b) The Association shall act as the exclusive collective bargaining agent for all Division I Active and Associate members with regard to those labor unions with which the Association engages in collective bargaining except that an individual member employer may withdraw its bargaining rights regarding any trade which it does not employ provided, however, said employer provides timely written notice of withdrawal to the Association and to the particular union involved.

(c) The Board of Directors, acting only through a majority vote from among its Division I Directors, is hereby authorized to order, direct or require some or all unit members to take such action, and all unit members hereby agree to take such action, as the Division I members of the Board of Directors may determine in the event of a bargaining impasse, labor controversy, strike, picketing, boycott or economic action by any labor organization or by any employee, or any other situation similarly affecting the Association and/or its unit members. Such action which the unit members agree to take includes, but is not limited to, laying off, suspending or performing for other unit members, unit work which as a direct result of action by any labor organization or employee would not otherwise be timely performed.

(d) It shall constitute a violation of this Article for any unit member to: 1) bargain with any employee, prospective employee or labor organization a collective bargaining agreement (or the renewal or extension or re-opener of any collective bargaining agreement) covering unit work other than through the Association, 2) enter into any collective bargaining agreement (or the renewal or extension or re-opener of any collective bargaining agreement) with any employee, prospective employee or a labor organization covering unit work other than through the Association, 3) employ members of any labor organization in respect of unit work in the event of a bargaining impasse with said labor organization or any other condition set forth in the first sentence of Subsection c) above without the written authorization of the Association, 4) fail to take any action ordered, directed or required of unit members by the Board of Directors as set forth in the second sentence of Subsection c) above, or 5) to do indirectly by or through any other person or firm or in some other name or form that which each unit member has agreed, or may be required by or pursuant to these bylaws, not to do directly or in his own name.

(e) All unit members hereby assign and transfer to the Association for the purpose of receiving and collecting same, all rights to and claims for damages sustained by unit members by reason of or resulting from any violation of subsection d) above; and all unit members hereby authorize the Association to recover and collect said damages on behalf of unit members and to pay and distribute same to unit members in proportion (as shall be conclusively determined by the Division I members of the Board of Directors) to the damages sustained by them after first deducting all costs and expenses of the Association and of witnesses and legal counsel incurred in the course of collecting said damages in excess of costs and expenses recovered by the Association in such proceeding.

(f) All disputes and controversies, regarding any and all claims against unit members for damages arising out of the violation or claimed violation by unit members of this Article, shall be submitted to and decided by an arbitrator who shall be appointed and shall hear and determine the matter in accordance with the rules of the American Arbitration Association. Said arbitrator shall have the authority, jurisdiction and responsibility to fix, assess and determine the amount of damages arising or resulting from any violation of this Article, and to render a decision and award in the amount of such damages against one or more unit members and in favor of the Association for distribution by the Association to unit members, as set forth in Subsection e) hereof. The scope of said arbitration shall be strictly confined to the question whether there was a violation of this Article as alleged by the Association and, if so, the amount of damages sustained by unit members (but not by the Association which shall have no right to damages under this Article, except under Subsection f) and g) hereof for costs and expenses) arising or resulting from any violation of this Article; and in no case shall this provision for arbitration by the Association of damage claims on behalf of its unit members be construed to limit or extinguish the power of the Association in its own right and for its own account to apply for and secure an injunction enjoining any violation, or decreeing specific performance of the obligations of unit members as set forth in this Article. The Association on behalf of its unit members shall have the right under this Article to proceed against such unit member or members who may be determined by the Division I members of the Board of Directors to be in violation of this Article for either: 1) the actual damages to the unit members arising or resulting from said violation, or 2) because of the great difficulty of determining actual

damages, liquidated damages which shall equal one-half of one percent of the dollar value of covered unit work, as hereinafter defined; provided, however, that any unit member against whom claims are asserted whose dues payable to the Association shall have been less than the maximum for both the year prior to the violation and the year of the violation, shall have a right to have said actual or liquidated damage figure reduced by applying thereto a fraction of which the numerator shall be the amount of dues payable during the one of said two years when dues payable shall most closely have approximated the maximum figure and of which the denominator shall be the maximum dues for said year; provided further, that the actual or liquidated damages recoverable under this sentence from each violating unit member shall in no case be more than \$150,000 nor less than \$25,000. For purposes of this Subsection f), it shall be conclusively presumed that the dollar value of covered unit work referred to in the preceding sentence shall be 10% of the total contract price of all construction work performed and to be performed in the Association's territory (as provided in Article IV) by unit members on whose behalf the Association is proceeding, under contracts which have been awarded prior to the time of the violation and for which final payment shall not have been received prior to said time, regardless of the duration of said contracts. Illustration: 1) the Association elects to proceed for liquidated damages on behalf of one hundred unit members to whom contracts for work in the Association's territory have been awarded at various times prior to the violation and for which final payment has not been received prior thereto, amounting to three hundred million dollars; 2) the dollar value of covered unit work is one-tenth thereof, or thirty million dollars; 3) the damages due from each violating unit member are one-half of one percent of covered unit work, or \$150,000, in the absence of a scale down based on dues payable; 4) in one case, the violating members' dues payable were 25% of maximum during the year prior to the violation and 50% thereof during the year of the violation, under which circumstances said violating member would have the right that his damage figure be scaled down to 50% thereof, or \$75,000; and 5) the individual damage figures set forth in 3) and 4) above are not more than \$150,000 nor less than \$25,000. Damages asserted and/or assessed against one unit member shall not be available as a credit to other unit members against whom damages are asserted and/or assessed, since it is agreed that the greater the number of violating unit members the greater the damages; provided, however, that if the Association proceeds under this Subsection f) on behalf of unit members for the liquidated damages and collects same (excluding costs and expenses) in excess of 5% of covered unit work, said excess shall not be distributed by the Association pursuant to Subsection e) hereof but shall be returned to violating unit members in proportion to their payments of liquidated damages hereunder. The arbitrator shall also have the authority to determine and award to the Association for the benefit of itself and its unit members the amount of costs and expenses (including counsel fees) of the arbitration proceeding, which shall be in addition to actual or liquidated damages and shall not be limited by the maximum figure set forth above.

(g) All unit members recognize that solidarity by the members of a multi-employer bargaining unit in conducting the labor relations of such unit is absolutely essential and that the recovery of damages from unit members in violation of this Article after the fact of a violation is unsatisfactory and inadequate as a means of preventing such violation with its attendant irreparable harm to the Association. Therefore, in order to prevent the occurrence and/or continuation of any such violation, the Association in its own right, is hereby authorized and directed to apply for and secure an injunction enjoining such violation or decreeing specific performance of the obligation of unit members as set forth in this Article. Any unit member against whom any such injunction or decree is issued shall pay all costs and expenses of the Association incurred in such proceedings, including the counsel fees of the Association. Such proceedings shall be instituted only by the Association and shall be in addition to, and shall supplement but not displace the arbitration proceedings herein provided for the assessment and payment of damages for any violation by any unit members, which arbitration proceedings may be instituted by the Association only on behalf of its unit members and not for damages in its own right.

(h) Anything to the contrary in Article V notwithstanding, all unit members agree that they shall have no right to resign from the Association within the period commencing 60 days prior to the expiration of any collective bargaining agreement (or the renewal or extension or re-opener of any collective bargaining agreement), covering unit work and ending with the execution by the Association and said labor organization of a new collective bargaining agreement (or the renewal or extension or re-opener of any collective bargaining agreement); provided, however, that the Association is not authorized to bind any unit members to a mid-term extension or modification of an existing collective bargaining agreement without providing unit members with notice of the proposed mid-term extension or modification and the opportunity to resign from the Association within 60 days thereafter in order to avoid being bound by such mid-term extension or modification; and provided further that no unit member shall be liable to the Association for dues otherwise accruing during any period when, but for this sentence, his resignation would have been effective under these bylaws. Resignation from the Association shall not relieve unit members of their obligations incurred under this Article during membership.

ARTICLE XII

Membership Dues

SECTION 1. Annual dues for Active, Associate and Affiliate members and the manner and time for the payment thereof shall be determined by resolution adopted by the Board of Directors at a duly convened regular or special meeting to be held prior to December 31 of the previous calendar year.

SECTION 2. Honorary members shall be exempt from the payment of dues.

SECTION 3. An initiation fee in such amount as may be determined by the Board of Directors from time to time shall be paid by each new Active member admitted into the Association immediately upon notification by the President and Chief Executive Officer of the Association that said application has been approved, provided, however, the Board of Directors shall have the power at any regular or special meeting to waive this initiation fee by a majority vote. Associate and Affiliate members shall pay such initiation fees as the Board of Directors may determine from time to time in its discretion, provided, however, said Board by majority vote may waive the payment of said initiation fee as aforesaid.

SECTION 4. Each member agrees to make payment of his annual dues, and confers upon the Association the right to collect the same by legal process, in the event of default.

ARTICLE XIII

Arrearages

SECTION 1. Any Active member having an unsettled account against him on the books of the Association for a period of three months or who shall have failed to file a report due in accordance with these bylaws shall be considered as a member not in good standing and shall have no voice or vote until his account has been settled and/or the report filed as the case may be. Said member may be dropped from the roll by a majority vote of the Board of Directors after one month's written notice from the President and Chief Executive Officer of its intentions to do so unless said default shall have been satisfied as directed in said notice. Upon failure to satisfy default such Active member shall lose all rights, benefits and privileges inuring to members of this Association in good standing.

SECTION 2. Any Associate or Affiliate members having an unsettled account against him on the books of the Association for a period of three months shall be considered as a member not in good standing, and may be dropped from the roll by a majority vote of the Board of Directors after one month's written notice from the President and Chief Executive Officer of its intention to do so, unless said default shall have been satisfied as directed in said notice. Upon failure to satisfy said default, such Associate or Affiliate member shall lose all rights, benefits and privileges inuring to

Associate or Affiliate members in good standing in this Association.

ARTICLE XIV

Audits

The books of this Association and its records shall be audited prior to the date of the annual meeting by a certified public accountant or firm thereof, to be designated by a majority vote of the Board of Directors. A report of said audit shall be made to the members at the annual meeting.

ARTICLE XV

Regulations

SECTION 1. No member shall take up any questions concerning affairs of the Association before the Officers, Directors or Committees of this Association against any other members without first notifying in writing the member so affected and without the permission of the Board of Directors.

SECTION 2. Officers and Directors who fail to attend fifty-percent of all or any three consecutive regular meetings of the Board of Directors, during any calendar year, except for personal illness or for good and sufficient cause in the sole judgment and discretion of the Board of Directors of which notice has been given to the President and Chief Executive Officer prior to the meeting, may be requested to resign.

SECTION 3. The order of business at regular meetings shall be as follows:

- Roll Call
- Introduction of New Members
- Reading of minutes of last regular meeting
- Reading of minutes of intervening meetings
- Reports of Officers
- Reports of Board of Directors
- Reports of Committees
- Unfinished business
- Elections
- New Business
- Adjournment

The order of business at special meetings shall be:

- Roll Call
- Reading of call for meeting
- Reading of minutes of any previous session of same meeting
- The business stated in the call
- Adjournment

ARTICLE XVI

Penalties

SECTION 1. Any member not in good standing for any cause or reason other than those defined in Article XIII hereof, or any member who shall be found guilty of a violation of these bylaws or any agreement entered into by this Association or of any conduct prejudicial to the welfare, interests, or reputation of the Association may be subject to censure, suspension or expulsion.

None of the foregoing penalties shall be imposed unless the member charged with the violation of this Article of the bylaws shall have received written notice requesting him to attend a regular or special meeting of the Board of Directors convened for that purpose. Said written notice shall set forth the violation with which he is being charged. Such member shall be given an opportunity to be heard at said regular or special meeting of the Board of Directors called for the purpose of

considering said complaint not later than thirty days after the mailing of a copy of said written notice to the member. The Board of Directors shall then make an independent investigation and arrive at its decision by a majority vote which shall be final and binding upon the member so charged.

ARTICLE XVII

Amendments

These bylaws may be amended or new bylaws may be enacted by a majority vote of the Active members at any annual or special meeting called for that purpose. All proposed amendments or revisions or additions to these bylaws shall be submitted in writing by the Board of Directors to the President and Chief Executive Officer at least thirty (30) days prior to the date of any such annual or special meeting and a copy thereof shall be sent to each Active member at least fifteen (15) days before the date of said meeting.

ARTICLE XVIII

Suspension of Bylaws

Any Article of these bylaws may be suspended during a stated meeting, but only for that meeting, when approved by the unanimous vote of those present at a meeting of the Board of Directors and by the majority vote of those at a meeting of the membership.

ARTICLE XIX

Effective Date of These Bylaws

These bylaws, as revised shall be effective January **12, 2004**.