

By-Laws of the
Revised 10-03-2006

Cache Valley Home Builders Association

ARTICLE I

(Name, Location, and Affiliation)

Sec. 1. The name of this Association shall be Cache Valley Home Builders Association.

Sec. 2. The principal office of this Association shall be located at 120 East 200 North, Logan Utah 84321, or such other place as the Board of Directors may from time to time designate.

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

Sec. 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

(Purpose)

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

- (A) To associate the builders 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 the Home Builders of the United States and the Home Builders Association of Utah.
- (D) To operate without profit and no part of the income of the Association shall ensure to the benefit or any individual member.

ARTICLE III

(Business Principles and Code of Ethics)

Sec. 1 The active members of this Association shall be limited to those persons and firms who shall subscribe to the following business principles.

- (A) Members of this Association believe and affirm that:
 - 1) Home ownership can and should be within reach of every American family.

- 2) American homes shall be well-designed, well-constructed and well-located in attractive communities, with educational, recreational, religious, and shopping facilities accessible to all.
- 3) American homes should be built under our nation's free enterprise system.
- 4) Our paramount responsibility is to our customers, our community and our country.
- 5) Honesty is our guiding business policy.
- 6) High standards of health, safety and sanitation shall be built into every home.
- 7) Members shall deal fairly with their respective employees, sub-contractors, and suppliers.
- 8) As member of a progressive industry, we encourage research to develop new materials, new building techniques, new building equipment and improved methods of home financing, to the end that every home purchaser may get the greatest value possible for every dollar.
- 9) All sound legislative proposals affecting our industry and the people we serve shall have our informed and vigorous support.
- 10) We hold inviolate the free enterprise system and the American way of life. We pledge our support to our Associates, our Local, State, and National Associations and all related industries concerned with the preservation of legitimate rights and freedoms.

(B) Code of Ethics

- 1) Members must comply with State Attorney General and FTC advertising guideline for industries.
- 2) Unusual persuasion in securing a Certificate of Completion prior to the completion of work called for in the contract is unethical.
- 3) Imitation of trademarks, trade names, labels, brands, or other distinctive works, phrases or marks of competitors, with the capacity or tendency of effect of misleading or deceiving the customer is unethical.
- 4) The defamation of competitors by falsely imparting to others dishonorable conduct, inability to perform contracts, questionable credit standings; or the false disparagement of the grade, quality or manufacturer of the products to be used by competitors is unethical.
- 5) A guarantee of less than a minimum period of one year on labor and material is unethical. Failure to extend to customers the terms of a manufacturer and/or the supplier guarantee or warranty for materials supplied is unethical.
- 6) The willful failure to perform all contractual obligations is unethical.
- 7) The failure to perform work in compliance with the local laws for public health and safety is unethical.
- 8) Failure to take corrective action within the warranty period for a bad practice is unethical.
- 9) Member must maintain high standards of professional conduct and should encourage fellow members to do likewise.
- 10) Member must refrain from all illegal and morally reprehensible conduct.

- 11) The violation of this Code of Ethic and/or federal, state and local criminal statutes will result in review and possible nullification and termination of membership in the association.
- 12) The Code of Ethics is for the purpose of insuring the integrity of this Association and is not for the purpose of suppressing competition to restrain trade, fix or control price through combination or agreement, or otherwise injure, destroy or prevent competition.

(C) By signing the Association's Application for Membership Form, we attest to the fact that we assume our responsibilities freely and solemnly, mindful that they are part of our obligation as members of this Association.

ARTICLE IV (Membership)

Sec. 1. CLASSES OR 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 individual who is or has been in, or employed by a firm or corporation, who is a licensed contractor in the State of Utah and in the business of building or rebuilding homes, apartments, schools, commercial, industrial, or other structures normally related to and appurtenant to a community, who subscribes to the Code of Ethics of this Association shall be eligible to be a builder member.
- (B) **ASSOCIATE MEMBERSHIP,** shall have two classification as follows:
 - 1) **TRADE ASSOCIATE MEMBERS.** Any individual who is or has been engaged or employed by a firm or corporation who holds a construction trade license in the state of Utah and engaged in a trade related to building and not inconsistent with the objectives of this Association, who subscribes to the Code of Ethics of this Association, shall be eligible to be an associate member.
 - 2) **ASSOCIATE MEMBERS.** Any individual that is not either a Builder or Trade Associate that is engaged in any allied trade, industry, profession or in land development, related to building and not inconsistent with the objectives of this Association, who subscribes to the Code of Ethics of this Association, shall be eligible to be an associate member.
- (C) **AFFILIATE MEMBERS.** Any individual who is or has been an employee or partner of a Builder or an Associate member of this association, who subscribes to the Code of Ethics of this Association, shall be eligible to be an associate member.

Sec. 2. ACCEPTANCE OF MEMBERS.

- (A) Applicants for membership shall apply in a form satisfactory to the Board of Directors which contains information showing that the Applicant meets the requirements of the preceding Sec. 1. On approval by the Board an Applicant shall become a member. Prior to approval, the Board may require a hearing on an application if it has reasonable grounds to believe that the reasons set for in Sec. 3 below, for suspension or revocation of membership may exist. The provisions of Sec. 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, upon payment of dues, shall be members of the National Association of Home Builders of the United States and the Home Builders Association of Utah and while in good standing shall be entitled to the full benefits, services and privileges of the respective Associations.

Sec. 3. SUSPENSION AND REVOCATION OF MEMBERSHIP

- (A) A Board of Directors by a two-thirds (2/3) vote may suspend or revoke the membership of any member (a) for failure to meet financial obligations to the Association, or (b) for conduct detrimental to this Association. 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 under this Section. Reinstatement shall be subject to such conditions as the Board may impose.

Sec. 4. MEETINGS OF THE MEMBERS

- (A) An annual meeting of the membership of this Association shall be held in December of each year, or at such other time as the Board may designate, for the express purpose of electing the officers of the Association, a Board of Directors and taking up such matters as may properly come before the general membership.
- (B) Regular meetings of the membership of this Association shall be held at such time as the Board of Directors may designate.
- (C) Special meetings of the memberships 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 7 days in advance.

ARTICLE V

(Initiation fee and Dues) or (Dues)

Sec. 1. 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 Home Builders Association of Utah which this

Association shall collect and remit in accordance with the requirements of the National (and state) Associations.

Sec. 2. Dues shall be due and payable on the anniversary date of each member, as that date is of record with the National Association.

ARTICLE VI
(Fiscal Year)

The fiscal year for this Association shall be from the 1st day of January to and including the last day of December.

ARTICLE VII
(Board of Directors)

Sec. 1. COMPOSITION AND AUTHORITY. Board of Directors shall be the governing body of the Association. The Association at its Annual Meeting shall elect twelve Directors, the majority of which shall be Builder members. A Director so elected shall hold office for one year from the date of election or until a successor is duly elected.

Sec. 2. EX “OFFICIO MEMBERS.” The President, Vice President(s), Immediate Past President, Secretary, Treasurer (or Secretary-Treasurer) shall be ex-officio members of the Board of Directors with full voting privileges.

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

Sec. 4. VACANCIES. Vacancies on the Board because of disability, death, 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.

Sec. 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 Utah State) Association(s). The selection shall be made only from among the Builder & Associate membership.

Sec. 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 the first Tuesday of each month, or such other time as the Board may direct.
- (B) 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.
- (C) Notice of the date, hour, and place of all meetings shall be given to the Directors at least seven days in advance

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

Sec. 8. QUORUM. The presence of a majority of the Directors at a Meeting shall constitute a quorum.

ARTICLE VIII
(Officers)

Sec. 1. OFFICERS. The following Officers shall be elected by the membership at its Annual Meeting and shall hold office for the term of one (1) year from the date of election or until their successors are elected and duly qualified:

- (A) A President, who shall be a Builder Member of the Association. The President shall be the chief officer of this Association and shall preside at its meetings of those of the Board of Directors. The President shall be the official spokesperson of this Association in matters of public policy. The President shall appoint all committees, shall be an ex-officio member of all committees, and shall perform all other duties usual to such office.
- (B) The First and Second Vice Presidents, who shall be Builder members of the Association, shall perform such duties as are assigned by the President and in the absence of the President, or upon direction, shall perform all of the duties of the President.
- (C) 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 quarterly 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.
- (D) A Secretary, who shall keep a record of all 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.
- (E) A Trade Vice President, who is a member of the Association, shall perform such duties as are assigned by the President and in the absence of the President, or upon direction, shall perform all of the duties of the President.
- (F) An Associate Vice President, who is a member of the Association, shall perform such duties as are assigned by the President and in the absence of the President, or upon direction, shall perform all of the duties of the President.

Sec. 2. SECESSION OF OFFICE.

- (A) In the event of the absence, disability, resignation, or death of the President, then the First 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. Should neither the President nor the Vice Presidents be able 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 be a Builder Member and shall serve until such time as the Board of Directors names from among its Builder Members a President to fill the unexpired term.
- (B) In the even of a vacancy, other than in the office of the President, the Board of Directors shall name from among its members a successor to fill the unexpired term.

ARTICLE IX
(Administrative Offices)

Sec. 1. An Executive Officer and/or Office Administrator may be employed by the Board of Directors at such rate of compensation as it deems fair and proper.

Sec. 2. The Executive Officer and/or Office Administrator shall serve as the chief administrative officer of this Association and shall perform the duties and responsibilities delegated by the Board of Directors and/or Executive Committee and all other functions usual to such Office.

Sec. 3. The Executive Officer and/or Office Administrator 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 limits of the budget.

ARTICLE X
(Voting, Quorums)

Sec. 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.

Sec. 2. A simple majority vote shall decide an issue provided a quorum is present. This section shall not apply to voting on amendments of these Bylaws.

Sec. 3. The presence of seven or eight of the members in good standing at a meeting of the Membership shall constitute a quorum.

ARTICLE XI
(Elections)

Sec. 1. (A) There shall be a Nominations Committee composed of the immediate Past President and four members appointed by the President. Appointment shall be made and notice given to the membership at least seven days in advance of an election. The President shall designate the Chairman of the Committee.

- 1. (B): The committee shall solicit the membership, consider recommendations, and shall nominate at least one candidate for 2nd Vice President, Associate Vice President, Trades Vice President and Secretary/Treasure. 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.**

Sec. 2. (A) The Association officers and directors shall be elected at the Annual Meeting. 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 shall 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. If no candidate receives a majority, a second vote shall be taken upon the two leading candidates.

ARTICLE XII
(Committees and Councils)

Sec. 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 by 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 two-thirds of the committee members at a meeting shall constitute a quorum.

Sec. 2. COUNCILS

- (A) There shall be within the Association such Councils as the (Executive committee and/or Board of Directors) may from time to time find necessary to serve adequately the needs of respective members of this Association.
- (B) The Council shall operate subject to Rules of Procedure, which shall be adopted and may be amended by the Council membership, subject to approval by the Association's Board of Directors.

ARTICLE XIII
(Finance)

Sec. 1. The fiscal year of this Association shall be the year commencing on the first day of January, and terminating on the last day of December.

Sec. 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.

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

Sec. 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, Vice-President(s), Treasurer,

Executive Officer, and Assistant Treasurer. The signature of any two (2) of the foregoing shall be necessary on all checks drawn on the account of the Association.

Sec. 5. The President, the Executive Officer, or any other officer of the Association duly authorized to act for them 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.

Sec. 6. The Board of Directors may by a two-thirds vote authorize the creation of reserve funds for the future operations of the Association. Such funds may be used for purposes as may be authorized by a two-thirds vote of the Board of Directors.

Sec. 7. The Treasurer and other officers or members of the staff authorized by the Board of Directors to handle the funds of this Association, shall furnish a bond at the expense of the Association in such amount as the Executive committee shall determine.

Sec. 8. 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 XIV (Rules of Procedure)

Sec. 1. Robert's Rules of Order shall govern the parliamentary procedure of the meetings of the Association provided for in these Bylaws.

ARTICLE XV (Amendments)

Sec. 1. These Bylaws may be amended by 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 thirty (30) days in advance.

ARTICLE XVI (Membership Card and Logo)

Sec. 1. Each member shall receive a membership card and certificate annually upon the payment of dues for the current year in such form as the Board of Directors shall prescribe.

Sec. 2. This Association and members of this Association may use on their stationery and literature official logo of the National Association of Home Builders of the United States, Home Builders Association of Utah, and the Cache Valley Home Builders Association.

ARTICLE XVII
(Executive Committee)

Sec. 1. There shall be an Executive Committee of this Association which shall be composed of the President, who shall be the Chairman, The Vice President(s), Trade Vice President, Affiliate Vice President, Secretary, Treasurer, (Secretary-Treasurer) and Immediate Past President.

Sec. 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.

Sec. 3. This committee shall meet upon the call of the President, the Board of Directors, or any 6 of its members. Three members shall constitute a quorum.

ARTICLE XVIII
(Notices)

Sec. 1. Members shall furnish the Secretary, Executive Committee with their official address. The mailing of any notice to the last known official address shall be deemed service of such notice of notices upon them as of the date of the mailing.

ARTICLE XIX
(Indemnification)

Sec. 1. In addition to any other rights to which any such person may be entitled by Contract of otherwise under law, the Association shall indemnify, defend and save harmless any person, his heirs, executors and administrators, against any cost, expense (including attorney's fees and amounts paid in settlement), fine, penalty, judgment, and liability reasonably incurred by, or imposed upon such person in connection with any action, suit, or proceeding, civil or criminal, to which such person may be made a party or with which such a person shall be threatened, by reason of such person's being or having been a Member, Director, Officer, Committee Member, Employee or Agent of the Association or serving or having served in any capacity in any other organization at the request of the Association, unless with respect to any matter such person shall have been adjudicated in any proceeding to be liable for gross negligence or willful misconduct in the performance of such person's duties as such.

Dates & Changes of By-Laws

January 6, 2009

Article VI, Section 4....D

(D) Regular Meetings of the Board of Directors shall be held on the first Wednesday after the first Tuesday of each month, or such other time as the Board may direct.

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