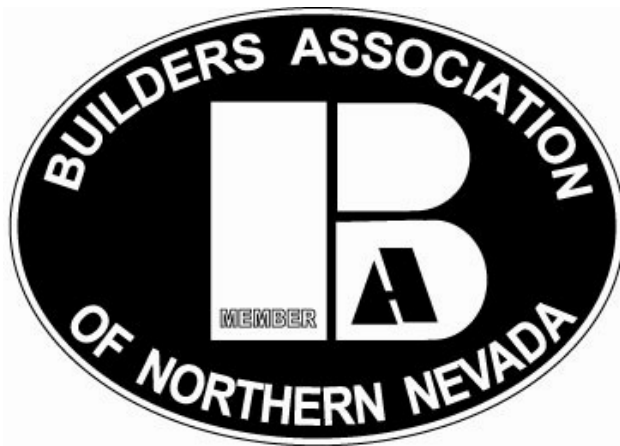


Bylaws And Code of Ethics



The
Builders
www.thebuilders.com

Adopted 9/28/06

-amended 10/27/08
-amended 4/28/09

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MISSION STATEMENT

The Builders Association of Northern Nevada, advocates of housing and housing choices, represents and serves as the voice of the building industry. We are committed to education, information, representation, and benefits to our membership, community, and the building industry. This is achieved by being a pro-active participant in the legislative and regulatory process, by promoting responsible growth practices, by enhancing ethical and professional standards, and by promoting a positive vision and economic future for the community we serve.

CODE OF ETHICS

The Builders Association of Northern Nevada and its members agree to observe and be bound by the following Code of Ethics to perpetuate building within our community. We, therefore, commit to:

1. Conduct business affairs with professionalism, honesty, and integrity, and encourage and uphold sound financial business practices.
2. Act professionally, making good faith efforts to meet contractual, moral and ethical obligations and commitments regarding business activities.
3. Work to keep informed of policies, laws, regulations, and building practices that affect business interests and the building industry as a whole.
4. Abiding by a covenant of fair dealing and integrity by establishing a trusting relationship with consumers and other members.
5. Avoid intentionally harming directly or indirectly, privately or publicly, the professional reputation, customers, or business of other members of this association.
6. Support and abide by the decisions of the association in promoting and enforcing this Code of Ethics.

**BYLAWS
of the
BUILDERS ASSOCIATION OF NORTHERN NEVADA**

ARTICLE I

(Name, Location and Affiliation)

Section 1. Name. The name of this Association shall be the Builders Association of Northern Nevada (hereinafter referred to as BANN), incorporated under the laws of the State of Nevada.

Section 2. Location. BANN's principal office shall be any place the Board of Directors may designate from time-to time.

Section 3. Affiliation. BANN shall operate for the benefit of the building industry and allied trades within its territory, as assigned by the National Association of Home Builders of the United States.

ARTICLE II

(Purpose and Restrictions)

Section 1. Purpose. BANN shall work to associate the various segments of the building industry for the purpose of mutual advantage and cooperation. BANN shall be the focal point of communications and the pro-active voice of the building industry throughout the community and surrounding jurisdictions; BANN shall be recognized as an organization of industry professionals who subscribe to the highest standards of integrity; BANN shall be the leader in representing and serving members' business interests; BANN shall be a leading advocate for economic prosperity and quality of life in northern Nevada; BANN shall be active in the communities in which we work and live through participation in charitable and community services; and BANN shall facilitate the development of a broad range of housing opportunities. The foregoing is intended to encompass, without limitation, the power to represent its members or the interests of its members and the housing industry, in political, legislative, and legal forums, the prosecution of judicial actions on behalf of its members or in its own right, and the defense of judicial actions involving it or its members.

Section 2. Restrictions. All policies of BANN shall be consistent with applicable federal, state and local antitrust, trade regulations, laws and other legal requirements, including the Nevada Not-For-Profit Corporation Law under which BANN is organized and operated, and applicable tax-exemption requirements.

ARTICLE III

(Member Qualifications and Applications)

Section 1. Member Responsibilities. All members of BANN assume the responsibilities outlined in the Code of Ethics, the Bylaws, and the Mission Statement freely and solemnly, and are mindful that these responsibilities are part of their obligation as members of BANN.

Section 2. Additional Affiliations. All members of the Association must simultaneously be members of the Builders Association of Northern Nevada, the affiliated state association, and the National Association of Home Builders of the United States.

Section 3. Membership Classifications. Membership in BANN shall be one of five (5) classifications:

- (a) Builder Membership shall be open to any person, firm, or corporation routinely engaged in the business of building, remodeling, or developing homes, multi-unit structures, or commercial and industrial facilities.
- (b) Trade Contractor Membership shall be open to any person, firm, or corporation licensed as a Contractor and who operates as a Subcontractor building or remodeling homes, multi-unit structures, or commercial and industrial facilities.
- (c) Associate Membership shall be open to any person, firm, or corporation engaged in any allied business, trade, industry or profession related to building, remodeling or development.
- (d) Student Membership shall be open to any student of light construction, or a related subject, who is a member of an organized group in an accredited school during the current academic year and is sponsored by a faculty advisor.
- (e) Honorary Membership shall be open to any person so designated and recognized by the Board of Directors for distinguished and unique service to the building industry or to BANN.

Section 4. Application for Membership/Approval of Membership. Application for membership in the Association shall be made to the Membership Committee through its Chairman or the BANN staff liaison, and processed in the following manner:

- (a) The candidate shall submit an application in writing on a form supplied by BANN that contains an agreement to abide by its Bylaws, its policies and observe its Mission Statement and Code of Ethics.
- (b) The application shall be accompanied by the appropriate dues payment as indicated on the application and other information as prescribed by the Board of Directors. That payment shall be returned in full if membership is not approved. BANN reserves the right to require a sponsor for new membership without advance notice.
- (c) The Board of Directors shall consider the completed application and, after receiving and considering any additional information it may request, the Board of Directors shall approve or deny the application. Such approval or denial shall be determined by a majority vote of the Board of Directors. The Board of Directors has the sole discretion to approve or deny any membership application and may consider, among other factors, the applicant's qualifications as set forth in these Bylaws and any actions, failures or other conduct of the applicant which would constitute the basis for denial of membership. The Board of Directors may also consider recommendations by any member, any committee, or any other group or person regarding the approval or denial of any application for membership. Should the membership application be denied, the applicant is entitled to appeal the decision of the Board of Directors under the provisions of Article III, Section 5(e).

Section 5. Termination, Suspension, Expulsion, Censure, or Reinstatement of Membership.

Suspension, termination, expulsion, censure, or reinstatement of membership in BANN shall be accomplished in the following manner:

- (a) Any member whose dues are not paid in the manner prescribed by the Board of Directors, or who has not met its financial commitments to BANN within three (3) months after payment becomes due, may be terminated by a majority vote of the Board of Directors.
- (b) Any member may be censured, suspended, terminated or expelled from BANN, upon investigation and recommendation of the Executive Committee and as evidenced by a vote of two-thirds (2/3) of the entire Board, if such action is considered to be in the best interest of BANN or its members.
- (c) Censure of any member may be imposed by the Board for any conduct, which, in the opinion of the Board of Directors, is harmful to any other member, the HBA, or the building industry generally. Suspension or expulsion from BANN shall occur only after a member has first been censured, unless the conduct of the member is determined by the Board of Directors to constitute a willful and deliberate act consciously designed to violate the Code of Ethics.
- (d) A two-thirds (2/3) vote of the entire Board of Directors shall be required to reinstate the membership of any member who has been censured, suspended, terminated or expelled pursuant to the provisions of this Section.
- (e) In the event the Board of Directors votes to deny the membership application of any applicant or to censure, suspend or expel any member, and the applicant so requests in writing within thirty (30) days of receiving notice of denial, censure, suspension or expulsion, a hearing regarding the action shall be held by the Board of Directors for such purpose. Notice of the time and place for the meeting shall be given to any such applicant or member no less than fourteen (14) days in advance of said hearing. The applicant or member shall have the right to present evidence and call witnesses who may be of assistance in resolving the matter. After such hearing, any decision by the Board of Directors concerning the denial of a membership application, censure, suspension, or expulsion of a member shall be final.

ARTICLE IV

(Application Fees, Dues and Assessments)

Section 1. Application Fee. An application fee in an amount set by the Board of Directors may be required to be tendered by each new applicant with their application for membership. If a member resigns or is terminated and then applies for reinstatement, that application will be treated as a new application and may require the tender of the application fee.

Section 2. Amount of Dues. Membership dues for BANN shall be an amount determined by the Board of Directors.

Section 3. Payment of Dues. Membership dues for BANN shall be payable annually or as otherwise prescribed by the Board of Directors.

Section 4. Transmittal of Dues Payments. Membership dues for NAHB and the affiliated State Association shall be collected by BANN and forwarded to those associations in a timely manner.

Section 5. Assessments. Builder members will be charged an assessment. The amount, nature and use of the assessment shall be determined by the Board of Directors, and shall be reviewed annually. The assessments shall apply to all new residential, multi-family, and other like structures. The full assessments shall be billed to the Builder Member if the Builder Member or its representative has an interest in the construction as owner, builder or otherwise.

Section 6. Assessment Accounting. Assessment funds shall be accounted for separately from other BANN funds and will be administered by the Board of Directors. Representatives from the affected committee or council will be allowed to provide input to the Board of Directors as to the fund's use.

ARTICLE V (Board of Directors)

Section 1. Authority. A Board of Directors (Board) shall govern the Association and shall direct its affairs in accordance with law. It shall be the duty of the Board to exercise general supervision over the affairs of BANN, and the Board shall have control of the funds of BANN and the method and manner of disbursement of such funds. The action of the Board of Directors, within the powers granted by these Bylaws, shall be final and shall not require approval of the members to be valid.

Section 2. Number. The Board shall consist of 21 voting members and shall include a minimum of 14 Builder members. No member or affiliated member shall have more than one person on the Board.

Section 3. Qualifications. Recognizing that election to the Board of Directors and/or the Executive Committee of BANN carries certain responsibilities and commitment to the association and the members it represents, BANN members seeking election as Board members and Executive Committee members will be required to fulfill the provisions of "Exhibit A", attached and incorporated as a part of these bylaws. The requirements of "Exhibit A" may be changed from time-to-time by a majority vote of the Board of Directors without requiring an Amendment to these Bylaws. Board members not in compliance with the provisions of "Exhibit A" may be terminated from the Board of Directors upon a majority vote of the Board.

Section 4. Lifetime Directors. There is hereby created the status of Lifetime Director, the purpose of which is to recognize individual contribution to BANN and the housing industry. Criteria for designation shall be proposed by the Board Development Committee and approved by the Board of Directors. Members of the Hall of Fame and past presidents of the Association are automatically designated Lifetime Directors. Lifetime Directors shall enjoy all of the rights and privileges of members of the Board of Directors so long as they remain members of the Association, but are non-voting members unless duly elected to the Board of Directors.

Section 5. Student Directors. At the discretion of the President, one (1) Student Director in good standing from the Student Membership category of BANN membership may be appointed to the Board. Such Student Directors shall serve as ex-officio members of the Board and shall not have a vote on matters brought before the Board.

Section 6. Power to Fill Vacancies. Vacancies on the Board caused by death or resignation shall be filled through nomination by the President with majority approval by the Board. Persons so appointed shall serve out the remainder of the term that has been vacated, however, such appointment shall not count against the three consecutive term maximum.

Section 7. Board Meeting Attendance. Any member of the Board of Directors, other than past Presidents, who shall be absent from four duly called meetings of the Board in a 12-month period may be removed from office by the affirmative vote of a majority of said Board at any duly called meeting of the Board of Directors, and their office shall thereupon be vacant and may be filled in accordance with the provisions to fill vacancies as noted in Section 7.

Article VI

(Executive Committee, Elected Officers and Directors, and Staff)

Section 1. Authority, Voting Privileges, Accountability, and Duties of the Executive Committee.

The Executive Committee, between meetings of the Board of Directors, shall have and shall exercise the authority of the Board of Directors in the management of the Association, EXCEPT that it shall not have authority beyond that delegated to it by the Board of Directors. Only members of the Executive Committee shall have voting privileges at meetings of the Executive Committee. The Executive Committee is accountable to the Board of Directors. Executive Committee members will be responsible for service in a liaison capacity with BANN committees and councils as outlined in "Exhibit B", attached and incorporated as a part of these bylaws. The responsibilities outlined in "Exhibit B" may change from time-to-time by a majority vote of the Board of Directors or at the discretion of the President without requiring an Amendment to these Bylaws.

Section 2. Executive Committee. The Executive Committee shall consist of the President, Vice President, Associate Vice President, and Secretary/Treasurer as voting members and the Immediate Past President as a non-voting member unless his or her vote is necessary to break a tie. With the exception of the President, as outlined in Section 1(a) below, all Executive Committee members shall have previously served at least one (1) year on the Board, and shall serve for a term of one (1) year. All terms of office shall run with the calendar year.

- (a) The President shall be the chief elected officer of BANN and shall preside at all of its meetings, including those of the Board and of the Executive Committee. The President shall appoint committees and be an ex-officio member of all committees, and shall perform all other duties usual to such office. The President shall be a Builder member who has previously served at least two (2) years on the Board.
- (b) The Vice President shall perform, in the absence or at the direction of the President, all the duties of the President. The Vice President shall be a Builder member.
- (c) The Associate Vice President shall represent the interests of the Associate members of BANN, and shall be an Associate member.
- (d) The Secretary/ Treasurer shall keep a record of all official proceedings for the Board and the Executive Committee and shall account for all monies collected and disbursed by BANN. The Treasurer shall chair the Finance and/or Budget Committee, and shall be a Builder member.
- (e) The Immediate Past President shall advise the Executive Committee and the Board.

Section 3. Director Terms. The membership shall elect Directors to represent their interests on the Board of Directors. The term of office for a Director shall be two years. All Board Members shall serve two year staggered terms: 11 Board members shall be elected in odd years and 10 board members shall be elected on even years. No Director shall serve longer than three consecutive terms.

Section 4. National and State Directors. BANN members, as represented by the Board of Directors, shall elect the following National and State Directors in the following manner:

- (a) National (NAHB) Directors – The President shall appoint, in accordance with current NAHB policies and bylaws, Builder or Associate members who shall serve, subject to Board approval, on the NAHB Board of Directors.
- (b) State Directors – The President shall appoint, in accordance with the policies and bylaws of the approved state association, Builder and Associate members who shall serve, subject to Board approval, on the state Board of Directors. The first such state director shall be the current BANN president.

Section 5. Hiring of Executive Director and Other Staff. The Board may employ the following staff at such rate as it deems fair and proper:

- (a) An Executive Director who shall serve as the administrative head of BANN. The Executive Director shall perform such duties as may be delegated by the Board, the Executive Committee, or the President. The Executive Director serves at the pleasure of the Executive Committee and the Board of Directors.
- (b) An Executive Director Review Committee shall be appointed by the president whose duty will be the review of the performance of the Executive Director. Such performance review shall be annually, or at the discretion of the Executive Committee or the Board of Directors.
- (c) The Executive Director is authorized to hire such other staff as is deemed necessary and appropriate for the proper administration of the Association, so long as they remain within the approved budget parameters set by the Board of Directors. Hiring in excess of the approved budget must be approved in advance by the Board of Directors.

ARTICLE VII

(Board Meetings, Voting Proxies, Board Voting, and Executive Committee Meetings)

Section 1. Board Meetings, Special Meetings, Notices of Meetings. Board meetings shall be held as follows:

- (a) Regular Board meetings shall be open to all members in good standing and shall be held once a month or at a time specified by the President. Only Board members shall be allowed to vote, make motions, or second motions.
- (b) Board members shall be given notice, including the date, hour, and place, of all meetings at least five (5) working days in advance of the meeting.
- (c) Special Board meetings may be called at any time by the President or by a formal written request of at least 1/3 of the Board members. Such written requests must be sent to the President. Notices of such Special Board meetings must include the date, hour, and place of the meeting, and must be sent at least 48 hours in advance of the meeting.

- (d) Notices of all meetings shall be delivered either personally, electronically, or by mail or in the manner requested by the Board member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the HBA, with postage prepaid.

Section 2. Board Meeting Quorum. At meetings of the Board of Directors a simple majority of the number of Directors shall be necessary to constitute a quorum for the transaction of business, unless the purpose of the meeting is to fill vacancies on the Board because less than a quorum is then in office. If a quorum is present, a vote of the majority of Directors in attendance is required for the transaction of business, unless a two-thirds is required under these Bylaws whereby a 2/3 vote of all Directors is required.

Section 3. Board Proxies. The use of voting proxies at any Board of Directors meeting is prohibited.

Section 4. Board Voting Rights. At Board meetings, only Board members shall have the right to vote.

Section 5. Method of Voting. Voting by the Board of Directors may be accomplished using a means other than a voice vote provided such voting procedures have been approved in advance by the President. Secret ballots are optional and may be requested. A majority vote of Board members present is required to conduct a vote by secret ballot.

Section 6. Executive Committee Meeting and Quorum. The Executive Committee shall meet once a month, or at a time specified by the President. A quorum for conducting business at any Executive Committee meeting shall be three (3) members.

ARTICLE VIII

(Member Meetings, Voting, Proxies and Quorums)

Section 1. Membership Meetings, General Meetings, Annual Meeting. Member meetings shall be as follows:

- (a) Members shall be given notice of the date, hour and place of all meetings at least five (5) working days in advance.
- (b) General membership meetings shall be held at least once yearly.
- (c) The annual member meeting (Annual Meeting) for the purpose of installing the Board of Directors and reviewing the past year shall be held each January. In the event circumstances prohibit the annual meeting in January, and upon approval of the Board of Directors, the annual meeting may be scheduled in February.

Section 2. Member Voting Privileges. The voting privilege shall be extended as follows:

- (a) Both Builder and Associate members in good standing shall have the right to vote. Firms, corporations or partnerships holding one Builder or Associate membership shall be entitled to only one (1) vote, cast by a duly designated representative. The presiding officer shall determine the method of voting unless otherwise stipulated by law or these Bylaws.

Section 3. Member Proxies. The use of voting proxies at any vote by the membership is prohibited.

Section 4. Meeting Quorum. A quorum shall be determined as follows, unless stated otherwise in these Bylaws:

- (a) A quorum for any member meeting shall be the total of Builder and Associate members in good standing present at the meeting, provided proper notice as per Article VIII Section 1(a) was given.

Article IX (Committees)

Section 1. Standing Committees. There shall be the following standing committees:

- (a) The Executive Committee shall be composed of the President, Vice President, Associate Vice President, Secretary/Treasurer and Immediate Past President. This committee shall conduct the affairs of BANN in accordance with these Bylaws and the instructions of the Board. It shall be responsible for all matters of policy and public statement, subject to the Board's approval. It shall meet upon the call of the President, the Board, or any three (3) of its members by stating a time and a place for the meeting.
- (b) The Executive Director Review Committee shall be composed of no less than five (5) Builder and Associate members who are appointed by the President, at least two (2) of whom shall be members of the Executive Committee. Chairmanship of the committee is to be determined by a majority vote of the committee members. This committee is to meet no less than annually.
- (c) The Board Development Committee shall be composed of no fewer than five (5) members, including the Executive Director, President, Vice President and an associate member. The Chair shall be appointed by the President. The Board Development Committee shall:
 - a. Meet no less than quarterly, or more often if required, to review members of the board's participation as members of the Board and report its findings to the Board. The review criteria shall be Exhibit A attached to these By Laws, as adopted by the Board of Directors.
 - b. Annually interview, consider and evaluate candidates for Board membership, and prepare a proposed slate of candidates to be presented to the membership for its consideration.
 - c. Review no less than annually "Exhibit A – "Board Members Obligations and Commitment" – of these By Laws to ensure accuracy and appropriateness, and may, from time to time, recommend to the Board of Directors changes.

Section 2. Committee Duties and Functions. The duties and functions of all committees shall be prescribed by the President with the approval of the Board of Directors.

Section 3. Other Committees or Councils. Upon the approval of the President and the Board of Directors, there may be other councils and/or committees deemed necessary to adequately serve the

interests and needs of BANN or its members. Only a member of BANN in good standing, or a designated employee of such member, is deemed to be a member of any council or committee.

Section 4. Committee or Council Chairmanships. Committee and council chairpersons shall be appointed and/or approved by the President. If the President does not appoint the entire committee, then each committee chair shall appoint, subject to Board approval, the remaining committee members.

Section 5. Committee or Council Reports. Each committee and council is required to make periodic reports to the Board of Directors covering its activities. Upon request of the Board of Directors, each committee or council may be requested to keep written reports of its proceedings.

ARTICLE X (Nominations and Elections)

Section 1. Nominations and Election Procedures. Nominations for election shall be conducted as follows:

- (a) The Board Development Committee shall issue a call for nominations no later than September 1st, utilizing the communications tools at its disposal. The Board Development Committee shall consider recommendations from BANN's membership regarding candidates for the Board of Directors. Additionally, the Board Development Committee itself shall have the right to nominate candidates for the Board.
- (b) All nominations received by September 30th shall be published during the month of October for at least 30 days before the election date. Nominations will be closed on October 31st, and no other candidates will be considered for election.
- (c) The Board Development Committee, during the month of November, shall place a listing of approved candidates for the Board of Directors before the membership for a period of not less than 14 days.
- (d) The method(s) of voting will be determined by the Board Development Committee, with the election to occur during the month of November.
- (e) The December Board of Directors (which may be a Board Retreat) meeting shall be attended by both the outgoing and incoming members of the Board, and shall act as a transition meeting. At this December meeting, the newly elected Board of Directors shall elect the Executive Committee, except that Associate Members only shall elect the Associate Vice President. The outgoing President shall provide over the meeting and conduct the election(s); and the President, or his or his designee, shall administer the oath of office to the new Board of Directors and Executive Committee.

ARTICLE XI (Finance)

Section 1. Fiscal Year. The fiscal year of BANN shall be the year starting on the first day of January and ending on the last day of December.

Section 2. Annual Budget. The Board shall approve a budget for each fiscal year, and the Association shall function with that budget. Any expenditures in excess of or not included in the approved budget must be authorized by the Executive Committee.

Section 3. Collection and Disbursement. Dues and other moneys collected by BANN shall be placed in an account to be used for BANN's day-to-day operations. Payments from these funds shall be made on the signatures of any two (2) of the following, so long as one staff and one officer sign: President, Secretary/Treasurer, Executive Director and Director of Operations. A procedural policy for single signature checks for disbursements of less than \$1000 is authorized.

Section 4. Account Transfers. The Treasurer shall review the funds available for operations, and shall make recommendations to the Executive Committee for the transfer of any excess funds to account(s) approved by the Board. The Executive Committee shall authorize the Treasurer or other authorized person to transfer funds within the approved accounts, upon the written approval of any two (2) of the following officers, so long as one staff and one officer sign: President, Secretary/Treasurer, Executive Director and Director of Operations.

Section 5. Financial Reports and Budget Analysis. The Treasurer shall submit a monthly Financial Report and Budget Analysis to the Board of Directors.

Section 6. Audit. There shall be an annual review and/or certification of the finances of BANN by an independent Certified Public Accountant, and this, together with a report from the Treasurer, shall be submitted to the Board of Directors.

ARTICLE XII (Notices)

Section 1. Proper Notice. Members shall furnish BANN with an official address to which the mailing of any notice or notices shall be deemed proper notice as of the date of the mailing. Additionally, members may authorize alternative means of notification, all of which shall be deemed proper notice.

ARTICLE XIII (Rules of Meetings)

Section 1. Rules of Order. Robert's Rules of Order, most current edition, shall govern the procedure of all meetings of BANN, unless otherwise specified.

ARTICLE XIV (Amendments to Bylaws)

Section 1. Amendment Procedures. These bylaws may be amended by a vote of two thirds (2/3) of the qualified voting members, provided a copy of the proposed amendment(s) was properly provided to every member of BANN not less than fifteen (15) days prior to action being taken. In the event that two thirds (2/3) of the qualified voting membership do not participate in the vote, action by the Board of Directors may be considered at the next scheduled Board of Directors meeting, provided such action is noticed at least five (5) days prior to the meeting. At that time, the Board of Directors, acting as the duly elected representatives of the membership, may vote on the amendment(s). A vote of two thirds

(2/3) of the Directors present at the meeting shall be necessary for the amendment(s) to become effective.

ARTICLE XV (Chapters/Area Councils)

Section 1. Chapters/Area Councils. Within BANN's territorial jurisdiction, chapters/area councils may be organized when authorized by the Board of Directors subject to stated criteria as outlined in Article XV Section 2.

Section 2. Purpose. Organized chapters/area councils may be established within BANN's territorial jurisdiction when a need has been established in accordance with the following purposes:

- (a) The chapter/area council has the potential to become a viable and contributing organization to advance the goals and objectives of the Builders Association of Northern Nevada.
- (b) The chapter/area council's presence will assist in the development of a membership base that has been under cultivated due to the absence of BANN involvement.
- (c) The chapter/area council will demonstrate that it has the ability to be financially self-supporting and not create a financial burden on BANN.
- (d) There must be an interest on the part of BANN's membership who conducts business in the chapter/area council's potential territory to assist in the development and operation of a chapter/area council.

Section 3. Organization. Each affiliated Chapter/Area Council may establish its Operating Procedures, provided such are in compliance with BANN's Bylaws, Mission Statement, Code of Ethics. Such Operating Procedures are subject to Board approval.

Section 4. Representation. The president of a recognized chapter/area council will have automatic representation on the Board of Directors and the Executive Committee of BANN with full voting rights and privileges. Further, the President Elect shall also be entitled to full voting rights and privileges as a member of the Board of Directors.

ARTICLE XVI (Insurance and Limitation of Liability)

Section 1. Officers & Directors Liability Insurance. At all times, BANN shall maintain a current policy of Omissions & Errors and/or Officers and Directors liability insurance paid for by the Association.

(a) No Director of BANN shall have any personal liability for monetary damages to BANN or its members for breach of fiduciary duty as a Director, except that this provision shall not eliminate or limit the personal liability of a Director to BANN or its members for (i) any acts or omissions not in good faith which involve intentional misconduct or knowing violation of law; or (ii) any transaction from which the Director directly or indirectly derives an improper personal benefit. Nothing herein will be construed to deprive any Director of his right to all defenses ordinarily available to a Director.

Section 2. Other Insurance. Upon approval of the Board of Directors, BANN may obtain other insurance products necessary to protect the association and its assets.

Section 3. Limitation of Liability. Nothing herein shall constitute members of BANN to be Partners for any purpose. No Member, Officer, Director, Agent or Employee of BANN shall be liable for his act or failure to act on the part of any other Member, Officer, Director, Trustee, Agent, or Employee of BANN, nor shall any party noted be liable for his act under these Bylaws, excepting the acts or omissions to act arising out of willful misconduct.

EXHIBIT "A"

OBLIGATIONS OF MEMBERS OF BANN'S BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Attend all duly called Board Meetings

Actively participate on a BANN Committee

Demonstrate a financial commitment to BANN by participating
in at least **two** of the following programs:

- Annual BANN-PAC contributor at a level defined by BANN-PAC
- Parade of Homes participant
- Parade of Homes sponsor
- BANN-ER Awards sponsor
- Golf Tournament sponsor
- Northern Nevada Building Conference sponsor
- Sponsorship at least one other BANN special event not listed
- Recruit a minimum of two new members to BANN each year

EXHIBIT “B”

COMMITTEE RESPONSIBILITIES FOR BANN’S EXECUTIVE COMMITTEE

- **President – Primary spokes person and leader of BANN**
- **Vice President – as determined and assigned by the President**
- **Associate Vice President – as determined and assigned by the President**
- **Secretary/Treasurer – as determined and assigned by the President**
- **Immediate Past President – as determined and assigned by the President**