

**BYLAWS
OF
EAST TENNESSEE CHAPTER
ASSOCIATED GENERAL CONTRACTORS OF AMERICA,
INC.**

**ARTICLE I
Offices**

The principle office of East Tennessee Chapter -- Associated General Contractors of America, Inc. (herein "Association") shall be 101 West Twenty First Street, Chattanooga, Tennessee, 37408. The Association may also have such other offices as the Board of Directors may from time to time determine. The chapter's chartered name by Associated General Contractors of America is East Tennessee Chapter of Associated General Contractors of America.

**ARTICLE II
Purposes**

The objectives of the Association reflect an attitude of assisting its members, upholding the high ideas of the industry and serving the public through community involvement. Principal objectives are the following:

- To promote stronger relations among its members and between its members and owners, architects and engineers.
- To maintain and encourage high professional standards and sound business methods among its members.
- To encourage methods of contracting which will relieve the members of unnecessary and undue risks.
- To maintain a reasonable assurance of Skill, Integrity, and Responsibility throughout the membership and display professional ethics standards in the public sector.

The association is organized exclusively to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit. This purpose and our devotion to the improvement of the construction industry allows the association to qualify as an exempt organization under section 501(c) (6) of the Internal Revenue Code or corresponding section of any future federal tax code.

ARTICLE III

Directors

Section 1. Name. The Board of Directors of the Association shall be designated and styled. And hereinafter referred to, as the "Board of Directors" or the "Board." Each member of said Board shall be designated and styled as a "Director."

Section 2. Number. The number of Directors, which shall constitute the Board, may be changed from time to time by the vote of a majority of the entire Board, but such number shall not be less than five (5) nor more than twenty-five (25). If the number of Directors is decreased, each Director in office shall serve until his or her term expires. Any increase in the number of Directors shall be deemed to create vacancies to be filled in the manner provided by these bylaws. Included in the number of Directors shall be, The Executive Committee members, Eight (8) Directors elected by the membership three (3) of which shall be Associate members and those members of the Association who are members of the Board of Directors of the Associated General Contractors of America, Inc.

Section 3. Duties and Powers. The Board shall have general charge and management of the affairs, funds and property of the Association. The Board's powers shall include, but are not necessarily limited to, the authority of lease or purchase real property of the Association, provided however, that a sale, lease, exchange or other disposition of property which is the equivalent of all, or substantially all, of the assets of the Association must be authorized in accordance with any applicable statute, to develop long-range plans, to approve and monitor quality improvement programs, and to review and evaluate existing and proposed services to insure members needs are meet. All such powers shall be exercised by the affirmative vote of the Directors at a meeting of the Board in accordance with the notice provisions of the bylaws or, in absence of such notice, by affirmative vote of at least a majority of the Directors then in office.

Section 4. Elections. Those at large Directors who shall be elected by the membership shall be elected at the annual meeting of the members and shall hold office of three (3) years and until their respective successors are elected and qualified. Such Directors shall not be eligible to hold office as a Director elected by the membership for more than two (2) consecutive terms.

Section 5. Removal. Any Board member may be removed for cause as defined by the Tennessee Code Annotated by a vote of the Board.

Section 6. Quorum and Manner of Acting. Except as otherwise specifically

provided by statute, one-half (1/2) of the entire number of the members of the Board shall constitute a quorum for the transaction of business. Except as otherwise provided by law, the vote of a majority of the Directors present at the time of a vote, if a quorum is present at such time, shall be the action of the Board. A majority of those present at any meeting at which a quorum is not present may adjourn the meeting from time to time, without notice, other than announcement at the meeting, until a quorum shall be present.

Section 7. Vacancies. Vacancies and newly created Directorships resulting from any increase in the authorized number of Directors may be filled by vote of the Directors at a meeting of the Board, in accordance with the notice provision of these bylaws; in absence of such notice, such Directors shall be chosen by at least a majority of the votes of the Directors in office. Any Director so elected shall hold office until his successor has been duly elected and qualified, except in the case of death, resignation, or removal from office. If one or more of the Directors shall give notice of resignation effective as of a future date, the Board may fill such vacancy or vacancies to take effect when such resignation or resignations shall become effective.

Section 9. Meetings of the Board and Notice. Meetings of the Board, annual, regular or special, may be held at such time and place as shall be determined from time to time by resolution of the Board. Annual meetings (the "Annual Meeting") of the Board shall be held on such day and at such time as may be fixed by the Board, for the purpose of electing Directors and officers and transacting such other business as may properly be brought before such meeting. Regular meetings of the Board may be held upon such notice, and at such time and at such place, as shall from time to time be determined by the Board. Special meetings of the Board may be called by the Chairman of the Board, the Secretary or any two (2) Directors, by oral, electronic or written notice, duly delivered to or given, sent or mailed to each Director not less than two (2) days before any such meeting. Meetings may be held at any time without notice if all of the Directors are present or if those not present waive notice of the meeting in writing or by facsimile, before or after any such meeting. The Board may hold its meetings and have one or more officers, and keep the minutes of the Association within or without the State of Tennessee, at such places as it may from time to time determine.

ARTICLE IV **Committees**

In order to draw from the vast business and operational knowledge of the Board members, the Chairman of the Board will annually appoint members to serve on various committees of the Association.

Section 1. Executive Committee. The Board of Directors may, by resolution adopted by a majority of the entire Board, designate an Executive Committee to consist of three or more members of the Board of Directors as the Board may from time to time determine. The Executive committee shall consist of the Officers of the Association. The Chairman of the Board, who shall be Chairman of the Executive Committee and a majority of the members thereof, shall constitute a quorum for the transaction of business. The Executive Committee is authorized to act on behalf of the entire Board during the interim periods between each meeting of the Board. The Executive Committee shall have the authority of the Board only to the extent provided in the Board's authorizing resolution and only to the extent provided by statute, the Certificate of Incorporation and these bylaws.

ARTICLE V **Officers**

Section 1. Number. The Officers of the Association shall be a Chairman of the Board, Senior Vice-Chairman, Vice-Chairman, a President/Chief Executive Officer, a Secretary/Treasurer, Immediate Past Chairman and such other officers with such powers and duties not inconsistent with these bylaws as may be determined necessary by the Board. The Executive Committee may appoint one person to fill the offices of Chief Executive Officer and President. Only General Contractors members may hold the office of Chairman of the Board, Senior Vice-Chairman of the Board, Vice-Chairman, and Secretary/Treasurer. If an officer voluntarily retires from their member company during their elected term, that officer has the option of completing their elected term.

Section 2. Duties of Officers. The duties and powers of the officers of the Association shall be as follows unless further defined by resolution of the Board or pursuant to the terms of an employment contract entered into between the Association and a particular officer in accordance with a resolution of the Board.

Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board and shall be responsible for the appointment of members to serve on various committees of the Board. The Chairman shall serve as Chairman of the Executive Committee and shall be a member *ex-officio* of all other committees. He shall also perform such additional duties as are required by resolution of the Board. The Chairman of the Board is chosen for a term of one year and may not serve in the same capacity for more than two consecutive terms. The Chairman of the Board is to take office March 1 of each year.

Senior Vice-Chairman of the Board. In the absence of the Chairman, the Senior Vice-Chairman shall reside at all meetings of the Board and fulfill other duties assigned to by the Chairman of the Board. The Senior Vice-Chairman of the Board is chosen for a term of one year and may not serve in the same capacity for more than two consecutive terms. The Senior Vice-Chairman of the Board is to take office March 1 of each year.

President. The President shall be the chief executive officer of the Association and shall have specific responsibility for the supervision of all personnel and the implementation of all resolutions of the Board and shall attend all meetings of the Board and Executive Committee of the Board unless the Board shall direct otherwise. The President shall execute, when authorized by the Board, such bonds, mortgages, investments and other contracts, except where required by statute or these bylaws to be otherwise signed and executed.

Vice-Chairman. The Vice-Chairman shall in the absence of the Chairman of the Board and Senior Vice-Chairman of the Board, reside at all meeting of the Board and fulfill other duties assigned to by the Chairman of the Board. The Vice-Chairman is chosen for a term of one year and may not serve in the same capacity for more than two consecutive terms. The Vice-Chairman is to take office March 1 of each year.

Secretary/Treasurer. The Secretary/Treasurer shall attend all meetings of the Board and all meetings of any committees and record all votes and minutes of all proceedings in a book to be kept for that purpose or cause the same to be done. He or she shall give, or cause to be given, notice of all meetings of the Board or membership and shall perform such other duties as may be prescribed by the Board or the executive officers of the Association under whose supervision he shall be. He may delegate such duties to the President of the Association as authorized by the Board. He shall have custody of the corporate funds and securities and shall keep full and accurate accounts or receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects to the name and the credit of the Association in such depositories as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board or Executive Committee taking proper vouchers for such disbursements and shall render to the executive officers of the Association and the Board, at the regular meeting of the Board, or whenever they may require it, an account of the financial condition of the Association. The Secretary/Treasurer is chosen for a term of one year and may not serve in the same capacity for more than two consecutive terms. The Secretary/Treasurer is to take office March 1 of each year.

IX. MEMBERSHIP

- The membership of the Association shall consist of General Contractor Members, Provisional Members, Visiting Contractor Members, Honorary Members, Affiliate Members and Associate Members. An Honorary Member may be an individual only. General Contractor, Provisional, Visiting Contractor, Affiliate and Associate Members may be individuals, firms or corporations. Only General Contractor Members may hold the office of Chairman of the Board, Senior Vice-Chairman of the Board, Vice-Chairman, Secretary/Treasurer offices.

The qualifications of the various types of membership shall be as follows:

- General contractors who have been engaged in the business of general contracting for two or more years prior to application for membership and have established a reputation for Skill, Integrity and Responsibility, as defined by the Associated General Contractors of America, governing Provision, may be considered for active membership in the Association. Exceptions to the two year experience requirement may be granted in the case of new firms of which one of the principal officers has had at least two years experience in the management of responsible construction firms that meet the entire requirement for membership. General contractors must participate and contribute to the Construction Center Trust fund as required by the Trust.
- Provisional membership may be granted for a period not to exceed two years to general contractors considered to be prospects for future active membership. Provisional members may display the Associated General Contractors emblem.
- Visiting contractor membership status may be extended to a member firm from another chapter temporarily in the Association's jurisdiction to process a particular job. This membership status may be extended for a period not to exceed the necessary time to complete such job. Visiting contractor status shall automatically be upgraded to Active membership status in the event such contractor obtains additional work or establishes a branch office within jurisdiction of the Association.
- Workers Compensation Trust membership status may be extended to a member firm from another chapter for the express purpose of participating in the Tennessee Associated General Contractors Self-Insured Workers Compensation Trust Fund, know as Tennessee Comp-Trust.

- Honorary membership shall be composed of individuals who have performed distinguished service for the Association, industry or state. Honorary membership of a person does not extend that membership to his firm or corporation.
- Affiliate membership shall be composed of individuals, firms or corporations who supply materials to the construction industry or perform services to the industry. Individuals, firms or corporations performing subcontractor services are not captioned under this category.
- Associate membership shall include those individuals, firms or corporations who have been for two years actively engaged in the construction business in branches other than general contracting and who execute work for, or in cooperation with, general contractors. Associate subcontractor members must participate in and contribute to the Construction Center Trust as required by the Trust.
- Each applicant for Active Membership or for affiliation with the Association in one of the other membership classifications shall apply in writing, giving such information as the Board may from time to time require. Applications shall include the applicant's agreement to accept the Standards of this Association and The Associated General Contractors of America, Inc., and to abide by the Articles of Incorporation and these Bylaws.
- Applications for membership shall be referred to the Membership Committee for investigation and recommendation to the Board or Board Appointed committee for action. A majority vote of the Board or Committee members present at a regular or special meeting shall be necessary for election of an applicant to membership. A rejected applicant may not renew his application for membership until one year has elapsed from the time of initial application.
- Proposals for Honorary Membership, following approval by a majority of the Board members present at a regular meeting, shall be presented to a regular or special meeting of the membership for final action. A majority vote of those present shall elect an individual to Honorary membership.
- Any member, who shall make a change in the name, ownership, or management of his business, firm or corporation, shall promptly report such change to the Association. The Board shall investigate any such change in status and shall continue the membership of the individual, firm or corporation under the new name or status or it shall terminate the membership in the event that the individual, firm or corporation no longer meets the membership requirements established by the Charter and these Bylaws.

- Any member whose service fees or other amounts owed are delinquent and unpaid for more than 120 days from the date of the invoice will be contacted by the bookkeeper or the president to determine the reason for the delinquency. If no suitable arrangements are made, the members shall be given written notice of the intention to terminate the company or corporation from membership.

- Any complaint alleging misconduct, moral turpitude or other act injurious to the Association must be signed by at least three Active members. The President, upon receiving such complaint, shall notify the Board, which shall set a reasonably early time and name the place for a hearing on the charges. The Board shall furnish the accused with a copy of the charges; it shall permit him an opportunity to make written reply to the charges and it shall offer the accused the opportunity to confront the complainant at the hearing. The Board, the Complainant, and the accused may call witnesses; however, counsel may be introduced only with the permission of the Board, and attendance at such hearing shall be limited to the members from the classifications represented by the complainant and the accused. The Board after evaluating the evidence at the conclusion of the hearing, shall, by a two-thirds vote of its total membership, exonerate, disciplines, suspends or expels the member.

- Any member of the Association may be expelled therefrom by a two-thirds vote of the total membership of the Board for any of the following causes, to wit:
 - For the commission of any act involving moral turpitude.

 - For any improper, unethical, or injurious act detrimental to the Association.

 - For any breach or violation of the Charter or these Bylaws.

 - The Board may, at its option, review the status of any member in regard to his skill, responsibility or integrity and may initiate such disciplinary action, as it may deem necessary for the protection of the Association.

- The Board shall, at its option, terminate the membership of any individual, firm or corporation that becomes insolvent or that may retire from the business of general contracting. Any member in good standing may resign from the association provided that all service fees applicable to the membership are current at the time the written resignation is tendered.

- Members shall be authorized to display emblems as prescribed by the Board.
- Any person or firm that resigns or is terminated for any reason must apply for new membership to be reinstated. Such reinstatement application must follow repayment of all balances owed to the Association or related entity and follow all requirements spelled out herein for new membership application.
- Should a member resign or be terminated he agrees to immediately remove or cause to be removed any Associated General Contractors emblems.

X. MEETINGS OF MEMBERS

- The annual meeting for the election of directors and officers, receiving reports from the Board and the committees, and to establish Association policy for the conduct of Association affairs shall be held at the time and place set by the Board.
- Special meetings may be called by the Chairman of the Board on the recommendation of the majority of the Board or when petitioned for by twenty-five percent of the active General Contractor members.
- One-third of the Active members shall constitute a quorum. The affirmative vote of a majority of the Active members present at an annual meeting shall be the minimum necessary for approval of any proposition before an annual meeting.
- Each Active member firm having an authorized representative present shall be entitled to only one vote.
- Notice of the call for the annual meeting shall be mailed to the membership at least ten days prior to the date set for convening such meeting. Such notice shall name the time for convening the meeting, the place established for such meeting, and the date or dates during which the meeting will be in session. Any proposed amendments to these Bylaws or other business to be conducted at the meeting shall be incorporated into or attached to such notice.

XI. COMMITTEES

- The Nominating Committee -- The Nominating Committee shall be appointed by the Chairman of the Board of the Association and shall consist of at least three active members. The selection of the nominees for director and elective offices and elective committee membership shall be made only after

deliberate evaluation of the responsibilities imposed by such position and the qualifications of the proposed nominees. No member shall be recommended as a nominee for director, an elective officer or an elective committee membership unless he has agreed to serve in such position in the event of his election, and the names of all nominees shall be delivered to the President of the Association at least thirty days in advance of the date set for the election.

- The Chairman of the Board may, as soon as practicable after his election, appoint the members and name chairmen to such standing committees, as he deems desirable.

XII. SERVICE FEES AND FISCAL PROCEDURE

- Service Fees -- Annual service fees shall be collected from each class of membership in such amounts as may from time to time be fixed by the Board. The service fee year shall be the fiscal year beginning July 1 and ending June 30.
 - The Board shall from time to time adopt a schedule of fees for Active, Provisional and Visiting Contractor Members. Such schedule shall establish minimum and maximum fees and the amount of the service fee applicable to the total volume of construction that an Active member completes during each calendar year.
 - The appropriate National Associated General Contractors Membership Fee shall be collected as part of all Members' annual service fee.
 - Members shall be invoiced for minimum service fees before July 1st of each year.
 - Active Members shall, at the end of each calendar quarter, report the total volume of work completed during the quarter on forms supplied by the Association. Such reports shall be forwarded to the Association within 45 days after the close of the reporting calendar quarter. Member firms will be invoiced for any service fees due on such volume.
 - Contributions to the Construction Center Trust are part of a member's obligation to the Association. The amounts are as stated in the trust documents.
 - The Board shall establish a lump sum amount as the annual service fee for Associate Membership. Invoices for such fees shall be issued before July 1st.

- Contributions to Construction Center Trust are part of Subcontractor Associate Members obligation to the Association. The amounts are as stated in the Trust Document.
- Honorary Members shall not be assessed for annual membership fees.
- Service fees for applicants accepted for membership during a fiscal year shall be prorated for months remaining in the year.
- Fiscal Procedures
 - The Association shall maintain its accounts on a fiscal year basis and use the accrued method of accounting.
 - The Board shall serve as the Association Finance Committee. It shall determine the amount of the annual budget, the amount of cash and other reserves the Association shall accumulate, the investment of those reserves, including the acquisition and sale of real property, and in general, perform all functions incidental to directing the Association's fiscal policy and financial operations. The Board may delegate such authority to the Executive Committee.

XIII. AMENDMENTS

- The Bylaws of the Association may be altered, amended, added to or repealed by any meeting of the Board by the affirmative vote of a majority of the Board, if notice of the proposed change is given in the notice of the meeting, or if all of the Directors are present at the meeting, or if all Directors not present at the meeting assent in writing to such change.

XIV. GENERAL PROVISIONS

Section 1. Indemnification. The Association may indemnify and defend any Director or officer of former Director or officer of the Association, or any person who may have served at its request as a Director or officer of another corporation to the fullest extent permitted by law.

Section 2. Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a Director or officer, employee, or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against liability asserted against him or her and

incurred by him or her in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him or her against liability under the provisions of this Section or under the applicable provisions of Tennessee laws.

Section 3. Presumption of Assent. A Director who is present at a meeting of the Board at which action on any Association matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by certified mail to the to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 4. Gifts. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

Section 5. Loans to Directors and Officers. No loan shall be made by or to this Association and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. No loans shall be made by the Association to any of its Directors, officers or employees.