



**BYLAWS OF
THE HOME BUILDERS ASSOCIATION OF
GREATER CHICAGO**

Newly Drafted March 11, 2010

**ARTICLE I
NAME, LOCATION AND AFFILIATION**

Section 1. The name of this Association shall be the Home Builders Association of Greater Chicago (“HBAGC”)

Section 2. The principal office of HBAGC shall be located in within the territorial jurisdiction of the HBAGC. County at such place as the Board of Directors may from time to time designate.

Section 3. HBAGC is and shall be an Affiliated Association of the National Association of Home Builders (“NAHB”), and the Home Builders Association of Illinois (“HBAI”).

Section 4. The operations of HBAGC shall be conducted in the counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will in the State of Illinois.

**ARTICLE II
PURPOSES OF THE ASSOCIATION**

Section 1. The purposes of HBAGC shall be:

- a) To associate the builder members and associate members within its jurisdiction for the purpose of mutual benefit and cooperation;
- b) To collaborate with others of similar interests who support the residential building industry within HBAGC's jurisdiction;
- c) To comply with all applicable federal, state and local laws, rules and Regulations;
- d) To represent the industry and the views of HBAGC at all levels of government and the general public;
- e) To operate without profit, and no part of the income of HBAGC shall inure to the benefit of any individual member;
- f) To provide benefits, services and educational opportunities for the betterment of the housing industry.
- g) Such other lawful purposes as HBAGC may choose to pursue.

ARTICLE III
MEMBERSHIP PROVISIONS

Section 1. HBAGC shall have classes of members. The designation of such classes and the qualifications of the members of such classes shall be as follows:

- a) **Builder Membership** shall be open to any sole proprietorship, partnership, limited liability corporation or other legal entity whose business is the construction, renovation, ownership or management of housing or land development within the territorial jurisdiction of the HBAGC, which shall agree to abide by the provisions of these bylaws and the Code of Ethics of the HBAGC (and all amendments thereto), and who shall receive the approval of the Board of Directors. No entity engaged in the development, construction, renovation or remodeling of housing may become a member of the HBAGC except as a Builder Member; provided, however, that any entity affiliated with or related to a Builder Member that is engaged in enterprises allied to the development, construction, renovation or remodeling of housing may become an Associate Member, and such Associate membership shall be in addition to the Builder Membership held by the primary entity.
- b) **Builder Affiliate Membership** shall be open to any employee of a Builder member whose business is the construction, renovation, ownership or management of housing or land development within the territorial jurisdiction of HBAGC which shall agree to abide by the provisions of these By-Laws and Code of Ethics of HBAGC (and all amendments thereto) and who shall receive the approval of the Board of Directors. Builder Affiliate Members shall be entitled to membership in NAHB pursuant to rules and regulations governing Affiliate membership in their respective By-Laws.
- c) **Associate Membership** shall be open to any sole proprietorship, partnership, limited liability corporation or other legal entity engaged in any trade, industry or profession allied with the housing industry within the territorial jurisdiction of HBAGC which shall agree to abide by the provisions of these bylaws and the Code of Ethics of HBAGC (and all amendments thereto), and who shall receive the approval of the Membership Committee and the Board of Directors.
- d) **Associate Affiliate Membership** shall be open to any sole proprietorship, partnership, limited liability corporation or other legal entity engaged in trade, industry or profession allied with the housing industry within the territorial jurisdiction of HBAGC which shall agree to abide by the provisions of these By-Laws and the Code of Ethics of HBAGC (and all amendments thereto) and who shall receive the approval of the Board of Directors. Associate Affiliate Members shall be entitled to membership in the NAHB and HBIA pursuant to the rules and regulations governing Affiliate membership in their respective By-Laws.

- e) **Life Membership** may be conferred by the HBAGC Board of Directors on any individual who shall qualify for such membership by having rendered exceptionally meritorious and distinguished service to HBAGC. A life Member shall be entitled to all the privileges of and be subject to all the obligations of membership in HBAGC, except the requirement to pay any membership dues to HBAGC. A Life Member who wishes to participate in the activities of NAHB or HBAI must pay the dues specified by those organizations.

Section 2. Acceptance of Members shall be in accordance with the following:

- a) Applicants for membership, other than honorary and life membership shall sign an application for membership of HBAGC.
- b) Applicants are approved and accepted by HBAGC, upon payment of dues, and approval of majority vote of the HBAGC Board of Directors.

Section 3. Suspension and revocation of membership shall be in accordance with the following provisions:

- a) Any member failing to meet a financial obligation to the Association shall suffer an automatic termination of membership status
- b) The Board of Directors, by a two-thirds (2/3) vote, may suspend or revoke the membership of any member for conduct determined by the Board of Directors to be detrimental to HBAGC. The member shall be given at least thirty (30) days 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. A vote of two-thirds (2/3) of the Board shall be required to reinstate any suspended or revoked membership

Section 4. Meetings of the membership shall be in accordance with the following:

- a) An annual meeting of the membership of HBAGC shall be held each year as designated by the Board, for the express purpose of electing a Board of Directors, and taking up such other matters as may properly come before the general membership.
- b) Regular meetings of the HBAGC Board of Directors shall be determined by the Board of Directors at the Annual meeting for the following year. The Board of Directors shall meet no less than four (4) times per calendar year.
- c) Special meetings may be called by the President or, if requested in writing, by a majority of the members of the Board of Directors. Notice shall be given of the date, hour and place of all meetings to each member of at least seven (7) days in advance.

**ARTICLE IV
CODE OF ETHICS**

Section 1. The active members of the Association shall be limited to those persons and firms who shall subscribe to the following code of ethics:

- a) Members of the Association believe and affirm that:
 - i. Decent housing should be within the reach of every family;
 - ii. Homes and rental dwellings should be properly designed, constructed and located in attractive communities, with education, recreational, religious and shopping facilities readily accessible to all;
 - iii. Homes and rental dwellings should be constructed under the private enterprise system.
- b) To achieve these goals, we pledge allegiance to the following principles and policies:
 - i. Our paramount responsibility is to our customers, our community and our country.
 - ii. Honesty is our guiding business policy.
 - iii. Members shall not knowingly enter into any contract, the terms of which are designed to imperil the rights of either labor or the suppliers of materials and shall not obtain any business by means of fraudulent statements or by use of implications unwarranted by fact.
 - iv. Members shall perform in a manner that is consistent with standards of quality workmanship and materials in order to promote a favorable image of the industry.
 - v. Members shall comply with rules and regulations prescribed by law and government agencies for the health, safety and progress of the community.
 - vi. High standards of health, safety and sanitation should be built into every home and rental dwelling unit.
 - vii. Members shall deal fairly with their respective employees, subcontractors and suppliers.
 - viii. As members of a progressive industry, we encourage research to develop new materials, building techniques, building equipment and improved methods of single-family and multi-family financing, to this end that every homeowner and resident of a rental dwelling unit, may achieve the greatest economic value.
 - ix. All sound legislative proposals affecting our industry and the people we serve, shall have our informed and vigorous support.
 - x. We hold inviolate the private 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

ARTICLE V MEMBERSHIP DUES

Section 1. HBAGC dues shall be paid annually at a rate to be determined by the Board of Directors.

- a) Membership dues shall be paid annually covering a twelve (12) month membership from the date of payment

- b) The HBAGC Board of Directors can approve payment plan options to accommodate members falling under hard economic times.
- c) No dues shall be refunded if a membership is suspended or revoked.

Section 2. Dues for membership in NAHB and HBAI shall be paid by HBAGC from its treasury at the rate fixed and under the terms stated in the By-Laws of those associations.

Section 3. HBAGC, at the direction of its Board of Directors, has the right to impose special assessments to members, at any time it deems necessary.

ARTICLE V (a) added and approved by BOD June 2012 Board Meeting ARBITRATION

Section 1. The Board of Directors hereby adopt and incorporate the HBAGC Binding Arbitration Rules as fully stated herein.

Section 2. Any member in good standing with the HBAGC has the right to incorporate HBAGC Arbitration into any written contract and utilize the procedures as contemplated by the HBAGC Binding Arbitration Rules.

Section 3. The Executive Director shall act as the HBAGC Arbitrator Administrator, pursuant to the HBAGC Arbitration Rules.

Section 4. Any HBAGC member acting as an arbitrator pursuant to the HBAGC Binding Arbitration Rules shall be paid \$250.00 at the time of appointment and \$250.00 for each day of the Arbitration Hearing, from the fees collected pursuant to the HBAGC Binding Arbitration Rules. The arbitrator shall be due any fees if, and only if, the fees are paid to the HBAGC by the parties participating in the Arbitration. It is an express condition precedent that the HBAGC be paid the Arbitration fees, pursuant to the HBAGC Binding Arbitration Rules, before any fees are due to the arbitrator.

ARTICLE VI BOARD OF DIRECTORS

Section 1. The Board of Directors (“BOD”) shall be the governing body of HBAGC.

- a) HBAGC at its Annual Meeting shall elect four (4) officers (President; 1st Vice-President; 2nd Vice-President; and Secretary/Treasurer) twelve (12) Directors, and ten (10) Active Life Directors (exclusive of the immediate past presidents); the majority of which shall be Builder Members.
- b) The term of all Directors shall be for two (2) years with staggered terms to allow one half of the Board to be elected each year.
- c) The President of each HBAGC sanctioned Council shall serve as a member of the Board of Directors during their tenure.
- d) The term limit for Builder Directors shall be two (2) successive terms of two (2) years each, unless 2/3rds majority of the BOD determines otherwise.
- e) Members of the Board of Directors, including Life Directors, must be in good standing of HBAGC. Any Board member who is ninety (90) days past due on annual dues renewal shall be automatically removed from the Board of

Directors. If a late dues payment is made after the ninety (90) day past due period, an application in writing may be submitted to the Board requesting reinstatement. The Board of Directors has final discretion to consider the request.

- f) Life Directors shall consist of those Members in good standing of HBAGC who:
 - i. Have served at least ten (10) years on the Board of Directors (not necessarily consecutive); or
 - ii. Have served as Association President; or
 - iii. Are Associate members who have served at least six (6) years on the Board of Directors (not necessarily consecutive) including service as an Officer of a Council or Committee
- g) All elected Board members with less than four (4) years of service who are absent from three (3) Board meetings in a calendar year must submit reasons for the absences to the Board. If the reasons are not accepted by the Board, that year will not count in fulfilling the requirements for Life Director Status. Said Director shall be deemed to have resigned from the Board after four (4) absences in any one calendar year. Any Life Director absent from three (3) Board meetings during a calendar year without reason shall be ineligible to vote for the remainder of that year.

Section 2. The President shall be the Chairperson of the Board of Directors.

Section 3. The Board shall elect any National and State Directors and Alternate Directors to which HBAGC is entitled under the provisions and conditions prescribed in the By-Laws of the National and State Associations.

ARTICLE VII ELECTIVE OFFICERS

Section 1. The following Officers shall be elected by the Board and shall hold office for a term of one (1) year from the date of election or until their successors are elected and duly qualified. The elected officers shall consist of three Builders and two Associates as provided below:

- a) **The President** shall be the chief elected officer of HBAGC and shall preside at its meetings and those of the Board of Directors and Executive Committee. The President shall appoint all committee members and shall perform all other duties usual to such office. The President shall act as spokespersons for HBAGC and shall be responsible for all public relations concerning the industry within HBAGC's territorial jurisdiction. No other member of the BOD shall act as official spokesperson for HBAGC unless authorized by the President. The President shall be a Builder Member.
- b) **The 1st Vice President** shall act in all cases for and as the President in the latter's absence or incapacity, and shall perform such other duties as may be required to do from time to time. The 1st Vice President shall serve as the de facto chair of the Government Affairs Committee. The Vice President shall be a Builder Member.

- c) **The 2nd Vice President** shall act in all cases for and as the President in the absence or incapacity of both the President and 1st Vice President, and shall perform such other duties as may be required to do from time to time. The 2nd Vice President shall serve as the de facto chair of the Membership Committee. The Vice President shall be a Builder Member.
- d) **The Secretary/Treasurer** shall be responsible to HBAGC for an accounting of all monies collected and disbursed by the Association and shall render an annual report to the Board of Directors, which shall be available for inspection by all HBAGC members, at HBAGC's main office. The Treasurer shall serve as the de facto chair of the Finance Committee. The Treasurer may be a Builder or Associate Member.
- e) **The Immediate Past President** shall be the President emeritus from the previous year. He or she shall serve as an advisor to the BOD, and such other duties as may be required to do from time to time.

Section 2. HBAGC may employ such staff as seen fit by the BOD to run the day to day operations of the Association.

Section 3. Vacancy procedure shall be as follows:

- a) In the event of absence, disability, resignation, or death of the President, then the 1st Vice President shall act as President of the Association. Should neither the President nor the 1st Vice President be able to serve for any of the foregoing reasons, then the 2nd Vice President shall act as President. The officer so designated to act, as President shall serve until such time as the Board of Directors names from among its members a President to fill out the unexpired term.
- b) In the event of a vacancy, other than in the office of the President, the Board of Directors shall name from among its members a successor to fill out the unexpired term.

ARTICLE VIII EXECUTIVE COMMITTEE

Section 1. The Executive Committee shall consist of the HBAGC Officers, three (3) Members at Large and Representatives of each of the Standing Committees and Councils of HBAGC. The President shall appoint additional advisory members from members in good standing to serve as non-voting members as he/she sees fit.

Section 2. The Executive Committee shall conduct the affairs of HBAGC in accordance with the constitution and By-Laws, policies and instructions from the Board of Directors. Said Committee shall be responsible for recommending for approval by the Board, a budget for financing HBAGC and all matters of policy and public statement. The Committee shall meet upon the call of the President.

Section 3. The Executive Committee may take such steps as deemed necessary to benefit the financial standing of HBAGC when directed by Board of Directors.

ARTICLE IX

VOTING; QUORUMS

Section 1. All members of HBAGC in good standing shall be entitled to vote at Meetings of the Membership except as may be provided in other Sections of these By-Laws. Firms, corporations or partnerships holding membership in HBAGC shall be entitled to only one (1) vote which shall be cast by a duly designated representative.

Section 2. A simple majority vote shall decide an issue provided a quorum is present. This section shall not apply to voting on amendments to these By-Laws.

Section 3. The presence of twenty percent (10%) of the Builder Members in good standing at a meeting of the membership shall constitute a quorum.

ARTICLE X ELECTIONS

Section 1. Election procedure shall be as follows:

- a) There shall be a Nominating Committee composed of the President, immediate Past President and three (3) members appointed by the President. Appointment shall be made and notice given to the Membership at least seven (7) days in advance of an election. The President shall designate the Chairperson of the Committee.
- b) The Committee shall solicit the Membership, consider recommendations, interview candidates and nominate at least one (1) candidate for each Director position vacated and to be filled, unless otherwise set forth in this Article. The Committee may resolve questions relating to the nomination of candidates, suggest rules of procedures for the elections and, upon direction of the President, perform other appropriate duties.
- c) The Directors shall be elected at the Annual Meeting of the Membership. The Nominating Committee shall submit its report at such meeting. Additional nominations may be made from the floor.
- d) 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 received a majority, a second vote shall be taken upon the two leading candidates.
- e) Immediately following the election of the Directors, the Directors shall elect the HBAGC Officers.

ARTICLE XI COMMITTEES

Section 1. The President, with the advice and consent of the BOD, shall, upon taking office, establish Committees for HBAGC except as may otherwise be specifically provided for in these By-Laws.

Section 2. The Chairperson, Vice chairperson (if any) and members of all Committees of HBAGC shall be appointed by the President.

Section 3. A President may, with the advice and consent of the Board of Directors, remove the Chairperson or members of any committee appointed pursuant to this Article.

Section 4. Special committees may be appointed by the President, as the President may from time to time deem advisable.

Section 5. Meetings of all committees shall be upon the call of the Chairperson with the Approval of the President.

Section 6. A simple majority vote in the committee shall decide an issue provided a quorum is present.

Section 7. The presence of one-half (1/2) of the committee members at a meeting shall Constitute a quorum.

Section 8. HBAGC shall consist of four (5) Standing Committees: Executive, Finance, Membership and Government Affairs and Nominating Committee.

ARTICLE XI COUNCILS

Section 1. The Board of Directors may establish Councils to serve the particular needs of various interest groups among the members of HBAGC. Such councils may elect their own officers and collect dues from their members. All actions taken by such councils shall be consistent with the provisions and intent of these bylaws. Dues for membership in all Councils of HBAGC shall be set from time to time by the BOD.

Section 2. Membership in Councils of HBAGC shall be available to all classes of members and their employees subject to payment of dues set and required for membership in that Council.

Section 3. Such Councils approved by HBAGC include but not limited to:

- a) **Sales and Marketing Council** shall represent the interest of the Builder Members of HBAGC. Membership in the Council shall be open to members who devote at least fifty percent (50%) of their time on the job to sales and marketing.
- b) **The Young Builders Council** shall provide an organization and a forum for the growth and development of young people in the home building. To be eligible for membership in the Council, an individual must:
 - i. have become active in the home building industry within the territorial jurisdiction of HBAGC within two (2) years prior to joining the Council;
 - ii. must be an employee of a Builder Member or an Associate Member of HBAGC.
- c) **The Remodelers Council** shall represent the interest of the Builder and Associate Members of HBAGC in the area of remodeling. Membership in the

Council shall be open to members who are actively engaged in a remodeling business or provide services to the remodeling industry.

- d) **The Custom Builders Council** shall represent the interest of the members of HBAGC whose primary business is the construction of custom homes.
- e) **The Multi-Family Housing Council** shall represent the interest of the members of HBAGC whose major focus is in the area of multi-family housing and development.
- f) **The Production Builders Council** shall represent the interest of the members of HBAGC whose primary business is the construction of more production homes.
- g) **The High Performance Green Building Council** shall represent the interests of members of HBAGC who look to gain great knowledge of “green” techniques, technology and initiatives.

Section 4. The activities of each Council shall be subject to review by the BOD at the first meeting of the Board to be held in January of each year. At such meeting, the Council shall present to the Board a schedule of events and proposed activities along with an operating budget which shall produce at least a breakeven.

ARTICLE XII FINANCES

Section 1. The fiscal year of HBAGC shall be the year commencing on the first day of January and terminating on the 31st day of December.

Section 2. The BOD shall adopt a budget for each fiscal year, and HBAGC shall function within the total of such budget. Any expenditure in excess of such total 20% over line item must be authorized by the BOD. Any expenditure over \$3,000 should have signatures of two officers.

Section 3. Dues and other monies collected by HBAGC shall be placed in a depository selected by the BOD. Payments from the funds of HBAGC shall be made on the signature of the President, Secretary/Treasurer and/or any other person so authorized by the BOD.

ARTICLE XIII RULES OF PROCEDURE

Section 1. Robert's Rules of Order shall govern the parliamentary procedure of the meetings of HBAGC provided for in these By-Laws.

ARTICLE XIV AMENDMENTS

Section 1. These By-Laws may be amended by a two-thirds (2/3) vote of the Board of Directors at any meeting provided (a) the attendance at such meeting constitutes a Quorum; and (b) that a copy of any proposed amendment shall be mailed to each member of the Board at least thirty (30) days in advance.