

BY LAWS
HOUSING AND BUILDING ASSOCIATION
OF NORTHWESTERN COLORADO, INC

ARTICLE I – NAME AND LOCATION

Section 1. The name of the Corporation shall be the Housing and Building Association of Northwestern Colorado.

Section 2. The principal office of the Corporation shall be located in Mesa County. The Corporation may have such other offices, either within or outside the State of Colorado, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

ARTICLE II – TERRITORIAL JURISDICTION

Section 1. The Corporation shall operate for the benefit of home builders and those engaged in allied industries within the Counties of Mesa, Delta, and Montrose of the State of Colorado.

ARTICLE III – OBJECTIVES

Section 1. The Corporation shall operate without profit as an Affiliated Association of the National Association of Home Builders and the Colorado Association of Home Builders to:

- [a] Associate home builders within the above described jurisdiction for the purpose of mutual advantage and cooperation.
- [b] Cooperate with all branches of the home building industry, including manufacturers, dealers, and financial institutions within said jurisdiction for the purpose of mutual advantage and for the benefit of the industry as a whole.
- [c] Maintain high professional standards and sound business methods among its members through the enforcement of its Code of Ethics as outlined by the National Association of Home Builders.
- [d] To secure cooperative action in advancing the common purposes of its members; and proper consideration of opinion upon questions affecting the home building industry within the jurisdiction of the Corporation.
- [e] Assist in the accomplishment of the mutual objectives of the national Association of Home Builders and the Colorado Association of Home Builders.
- [f] Assist the Officers, Board of Directors, and Membership Committee of the National Association of Homebuilders and the Colorado Association of Home Builders in qualifying members operating within the above-described territorial description.
- [g] Participate for the purpose of mutual benefit in the exchange of information and experience with all locally-affiliated associations of the National Association of Home Builders.
- [h] To operate without profit; no part of the income of the Corporation shall inure to the benefit of any individual member.

ARTICLE IV – CODE OF ETHICS

Section 1. All Members of the Corporation shall agree to observe and be bound by the following Code of Ethics:

- [a] Home ownership should be within the reach of every American Family. Homes should provide the best value possible, and should be built with high standards of safety, quality materials, sanitation, and livability. Furthermore, every home should be backed by builder service and integrity.

Section 2. To achieve these goals, we pledge allegiance to the following principles and policies:

- [a] Honesty is our guiding policy in conducting business affairs. We will strive consistently to comply with the spirit of the law in financial transactions and business contracts, and manage our dealings with employees, subcontractors, and suppliers with fairness.
- [b] We will work toward establishing a balance between legitimate environmental concerns and the need to develop and construct new housing. This will include the conservation of land and energy through consideration of natural environment as an intrinsic element in housing design.
- [c] To maintain our leadership as a progressive industry, we will continue to encourage research and development of new materials, building techniques, building equipment, and improved methods of home financing. All sound legislative proposals affecting our industry and the people we serve shall have our informed and vigorous support.
- [d] Because 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.

ARTICLE V – MEMBERSHIP

Section 1. Membership in the Corporation shall be of the following classes:

- [a] Builder/Developer
- [b] Associate
- [c] Affiliate

Section 2. Qualifications for membership in the Corporation shall be as follows:

- [a] Active Builder/Developer membership shall be open to any person, firm, or corporation whose primary business activity is the construction, renovation, or remodeling of commercial buildings or single or multi-family residential housing, or the development or subdivision of land for construction within the territorial jurisdiction of this corporation described in the Articles hereof.
- [b] Active Associate membership shall be open to any person, firm, or corporation engaged in any allied trade, industry, or profession within the territorial jurisdiction of the Corporation.
- [c] Active Affiliate membership shall be open to any person, firm, or corporation that operates as an affiliate of any person, firm, or corporation that maintains a membership in good standing with the Home Builders Association of Northwestern Colorado.
- [d] Any person representing a member in good standing shall be eligible for election to the Board of Directors.

Section 3. Applications for membership in the Corporation shall be made to the Board of Directors. Applications will be provided by the Corporation and should contain the following provisions:

- [a] An agreement to abide by the provisions of the Articles, Bylaws, and Amendments thereof, and to subscribe to the Code of Ethics of the Corporation
- [b] A personal guarantee by the applicant for all debts and fees owed to the Corporation
- [c] An agreement to completely indemnify the Corporation for any and all claims, liabilities, and suits in which the Corporation may become involved in because of the actions or causes of said Member.

Section 4. Applications for membership will be processed in the following manner:

- [a] Applicants must be endorsed by at least one Member in good standing.
- [b] Applicants shall submit a completed application form along with payment sufficient to cover annual membership dues.
- [c] Any and all debts and fees owed to the Corporation by a former Member or person who was a principal of a former Member shall be paid in full prior to consideration of an application for membership or reinstatement.
- [d] Applications will be reviewed by the Board of Directors and membership will be awarded or denied by a majority vote within 60 days of the application date. A full refund of membership dues will be made to those applicants who do not receive membership approval by the Board of Directors.
- [e] In cases where the membership classification of an applicant is in question, the Board of Directors will, by majority opinion, assign the membership class deemed most appropriate.
- [f] Upon approval for membership, applicants are, by affiliation, members of the National Association of Home Builders and the Colorado Association of Home Builders, and are fully entitled to the benefits of membership.

Section 5. Membership in the Housing and Building Association of Northwestern Colorado is transferable or assignable only by a majority vote of the Board of Directors. Requests for such transfer or reassignment shall be reviewed by the Membership Committee prior to presentation to the Board of Directors for consideration.

Section 6. The Board of Directors shall have, by a two-thirds (2/3) majority vote, the power to suspend, censure, revoke, or deny renewal of membership for willful infractions of the Bylaws of the Corporation, or by conduct deemed disorderly, injurious, or disreputable to the interests or objectives of the Corporation.

- [a] Prior to a vote to suspend, censure, or expel, a member may be entitled to notice and a hearing before the Board of Directors.
- [b] Any Member whose dues, assessments, or other debts owed to the Corporation are not paid within one hundred twenty (120) days after they become due and payable shall be automatically expelled.
- [c] Upon expulsion, a Member will forfeit all initiation fees, dues, and assessments theretofore paid, and must return to the Corporation all evidence of membership.
- [d] Any Member who is dropped from membership for cause may not be reconsidered for membership at a later date unless all indebtedness is paid in full before a reinstatement application will be considered by the Board of Directors.
- [e] A vote of two-thirds (2/3) of the Board of Directors shall be required to reinstate any member who has been expelled or suspended pursuant to the provisions of this section.

Section 7. Members may appeal the decision of the Board of Directors to suspend, censure, or expel according to the following provisions:

- [a] A Member suspended, censured, or expelled may appeal within ten (10) days thereof by filing with the Secretary of the Corporation a written notice of appeal and the reasons therefore.
- [b] All appeals shall be heard at a meeting of the Board of Directors, to be called for that purpose within fifteen (15) days after the notice of appeal has been filed with the Secretary.
- [c] The President or President-Elect of the Corporation shall preside at such meeting and the cause of suspension, censure, or expulsion shall be provided to the appellant in written form at least ten (10) days before the meeting, at which time a copy thereof shall also be filed with the Secretary of the Corporation. The appellant shall have the right to answer the said causes of suspension, censure, or expulsion either in writing or orally in his behalf either individually or by counsel.

Section 8. An Annual Meeting of the membership shall be held on the first Thursday in January of each year for the purpose of electing members to the Board of Directors, reviewing the affairs of the Corporation for the past year, and transacting such other business as may come before the Members. If the election of Directors shall not be held on the day designated herein as the Annual Meeting of the Members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as it conveniently may be.

- [a] Regular meetings of the membership shall be held on the first Thursday of each month or such other time as may be selected by such membership and/or the Board of Directors.
- [b] Special meetings of the membership for any purpose, unless otherwise prescribed by statutes, may be called by the President at the request of the holders of not less than one-tenth (1/10) of all the outstanding memberships of the Corporation entitled to vote at the meeting, or at the request of the Board of Directors.
- [c] The Board of Directors may designate any place within the territorial jurisdiction of the Corporation for any annual or special meeting. A waiver of notice signed by all Members entitled to vote at a meeting may designate any place, either within or outside the territorial jurisdiction, as the place of such meeting. If no designation is made, or if a special meeting shall be called otherwise than by the Board, the place of meeting shall be the principal office of the corporation.
- [d] Written or printed notice stating the place, day, and hour of the meeting, and in the case of a special meeting, the purpose for which the meeting is called, shall be provided not less than ten (10) days nor more than thirty (30) days before the date of the meeting. Such notice shall be delivered personally or by mail, fax, or email, at the direction of the President, the Secretary, or by the Officer or persons calling the meeting, to each membership of record entitled to vote at such meeting.

ARTICLE VI – FISCAL YEAR

Section 1. The fiscal year of the Corporation shall begin on January 1, and shall end on December 31, of each and every following year thereafter.

ARTICLE VII – DUES AND FEES

Section 1. The dues of the Corporation shall be payable annually on or before the anniversary date of the original effective acceptance of the individual membership application by the Board of Directors of the Corporation. Members in all classes shall be active upon payment of annual dues to the Corporation as provided herein and shall be in good standing as provided in these Bylaws. Membership dues then shall run annually from the effective anniversary date to subsequent anniversary date, and not necessarily from January to December as heretofore provided.

[a] A breakdown of membership dues and assessments is included in the Bylaws as ATTACHMENT A.

Section 2. Dues for membership in the National Association of Home Builders (NAHB) of the United States and the Colorado Association of Home Builders (CAHB) shall be paid by this corporation from its treasury at the rate fixed and under the terms stated in the Bylaws of that association (or amendments thereto currently in effect), and any increases in dues by NAHB and/or CAHB shall be added to the dues of the Corporation.

Section 3. If, at the discretion of the Board of Directors, additional funds are needed in the Corporation to carry out its operations and purposes, they may levy an assessment against the Members. Such assessments shall be made in such a manner and upon such basis as the Board of Directors deems fair and equitable, subject, however, to the ratification thereof, by a two-thirds (2/3) majority of membership of the Corporation who are present at the next general meeting or special meeting called for that purpose.

Section 4. Annual dues may be increased up to 10% per annum upon majority action of the Board of Directors.

ARTICLE VIII – MEMBERSHIP CARD AND EMBLEM

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

Section 2. The corporation shall use on all its stationary and literature the official emblem of NAHB according to guidelines set forth by NAHB. The Corporation may also use on all its stationary and literature the official emblem of CAHB according to guidelines set forth by CAHB.

Section 3. Members of the Corporation may use on their stationary and literature the official emblems of NAHB and CAHB according to guidelines set forth by NAHB and CAHB, respectively.

ARTICLE IX – BOARD OF DIRECTORS

Section 1. The business and affairs of the Corporation shall be managed by the Board of Directors, except as otherwise provided in the Colorado Corporation Act or the Articles of Incorporation.

Section 2. The number of Directors of the Corporation shall be not less than ten (10) and not more than fourteen (14), which shall include the immediate Past President of the

Corporation, not less than four (4) Builder/Developer members, and not less than five (5) associate members.

- [a] The number of Directors shall at all times be sufficient to effectively govern the affairs of the Corporation and serve the needs of the Members.
- [b] The Board of Directors shall have the discretion to increase or decrease the number of its Members by majority vote. Such action may only be taken once per year and must be taken at least 60 days prior to the Annual Meeting.
- [c] Should the Board of Directors increase the number of its Members, nominations shall be made and new Directors shall be seated according to Article XIII of the Bylaws.
- [d] Should the Board of Directors reduce the number of its Members, such reductions shall be made by the expiration of term or voluntary resignation of any Director(s).
- [e] Every effort shall be made to maintain an equal number of Builder and Associate Members on the Board of Directors.

Section 3. Any Director may resign at any time by giving written notice to the President or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in the Board of Directors shall be filled by an appointee of the President of the Corporation for the unexpired term.

Section 4. The annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after the annual meeting of members for the purpose of electing Officers, selecting National and State Directors, and transacting such other business as may come before them. The Board of Directors may provide, by resolution, the time and place for holding additional meetings without other notice than such resolution.

- [a] In addition to its annual meeting, the Board of Directors shall meet on the first Wednesday of every month or such other time as the Board may direct.
- [b] Any Director who shall have four (4) unexcused absences from meetings during a calendar year shall have his position on the Board of Directors declared vacant, and such vacancy shall be filled by the President by appointment. An absence may be considered excusable in the event it results from attendance at a meeting scheduled by NAHB and/or CAHB at which such attendance is considered proper.

Section 5. Special meetings of the Board of Directors may be called by the President, or at the request of the President or any three (3) Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place within the territorial jurisdiction of the Corporation as the place for meeting called by them.

- [a] Notice of a special meeting of the Board of Directors shall state the place, day, and hour of the meeting, and such notice shall be given at least three (3) days before the date of the meeting. Such notice shall be delivered personally or by mail, fax, or email, at the direction of the President, the Secretary, or by the Officer or persons calling the meeting, to each member of the Board of Directors entitled to vote at such meeting.
- [b] Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Not less than one-half (1/2) of the number of Directors fixed by Section 2 hereof, holding a voting privilege shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting without further notice.

Section 7. The Acts of the majority of the Directors present at a meeting at which quorum is present shall be the acts of the Board of Directors, excepting the approval of contracts or transactions by any Director or Officer with the Corporation, which shall require an approval of a majority of the entire membership or Board of Directors.

Section 8. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall otherwise notify the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who has voted in favor of such action.

Section 9. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Directors and may be stated as such in any articles or documents filed with the Secretary of the State of Colorado under the Colorado Corporation Act.

Section 10. There shall be nominated to serve as National Director to NAHB one Builder/Developer Member to represent each fifty (50) Builder/Developer Members (or fraction thereof) of the Corporation in accordance with its Bylaws. These nominations shall be made at the annual meeting of the new Board of Directors, immediately following the Annual Meeting of the membership and voted upon by the new Board of Directors.

[a] Each National Director shall serve for a term of two (2) years and shall also serve as a non-voting member of the Board of Directors.

a.i) Elected Members of the Board of Directors shall be able to concurrently serve as National Directors and shall retain voting eligibility.

[b] The terms of office for all the National Directors shall be staggered such that one-half (1/2) of the allowable National Directors shall be nominated each year.

Section 11. There shall be nominated to serve as State Director to CAHB one Builder/Developer Member to represent each fifty (50) Builder/Developer Members (or fraction thereof) of the Corporation in accordance with its Bylaws. These nominations shall be made at the annual meeting of the new Board of Directors, immediately following the Annual Meeting of the membership and voted upon by the new Board of Directors.

[a] Each State Director shall serve for a term of two (2) years and shall also serve as a non-voting member of the Board of Directors.

a.i) Elected Members of the Board of Directors shall be able to concurrently serve as State Directors and shall retain voting eligibility.

[b] The terms of office for all the State Directors shall be staggered such that one-half (1/2) of the allowable State Directors shall be nominated each year.

Section 12. At the joint meeting of the outgoing and incoming Boards of Directors, the newly elected board shall have the authority to approve a general budget for use during the ensuing

year, the date of formal installation to office of duly elected Directors for the ensuing year notwithstanding.

ARTICLE X – OFFICERS

Section 1. The Officers of the Corporation shall be President, President-Elect, Secretary, and Treasurer. The Board of Directors may appoint such other officers, assistant officers, committees, and agents, including a Chairman of the Board, Assistant Secretaries, and Assistant Treasurers, as they may consider necessary, who shall be chosen in such a manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board of Directors.

[a] One person may hold any two offices, except that no person may simultaneously hold the office of President and Secretary.

[b] In all cases where the duties of any officer, agent, or employee are not prescribed by the Bylaws or by the Board of Directors, such officer, agent, or employee shall follow the orders and instructions of the President.

Section 2. The Officers of the Corporation shall be selected by the Board of Directors annually at the first meeting of the Board held after each Annual Meeting of the Members. If the selection of Officers does not occur at such meeting, selection shall be held as soon thereafter as conveniently may be.

[a] Officers shall serve a one (1) year term.

Section 3. Any Officer or agent may be removed by majority action of the Board of Directors when, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person being removed. Election or appointment of any Officer or agent does not in itself create contract rights.

Section 4. A vacancy in any office, however occurring, shall be filled by majority action of the Board of Directors for the unexpired portion of the term.

Section 5. The President shall be the chief officer of the Corporation and shall preside at its meetings and those of the Board of Directors and the Executive Committee. He shall be the official spokesman of the Corporation in matters of public policy and shall perform all other duties usual to such office.

[a] Except as provided by the Board of Directors, the President may serve on all committees as an ex officio member with voting privileges.

Section 6. The President-Elect shall be confirmed by majority vote of the Board of Directors to become the next President. He shall assist the President and shall perform such duties as may be assigned by the President or by the Board of Directors. In the absence of the President, the President-Elect shall have the powers and shall perform the duties of the President. The President-Elect shall be a member of the Executive Committee.

Section 7. A Secretary shall keep or supervise a record of all the official proceedings of the Corporation and its Board of Directors, including the reports of special committees. The Secretary shall also serve on the Executive Committee. The Secretary position can be combined with the office of Treasurer.

Section 8. The Treasurer shall be the principal financial officer of the Corporation and shall have the care and custody of all funds, securities, evidences of indebtedness, and other personal property of the Corporation, and shall deposit the same in accordance with the

instructions of the Board of Directors. The Treasurer shall be a member of the Executive Committee.

ARTICLE XI – EXECUTIVE OFFICER

Section 1. The Corporation shall employ a salaried Executive Officer, whose term and conditions of employment shall be specified by the Executive Committee and confirmed by majority action of the Board of Directors.

Section 2. The Executive Officer shall be the chief executive of the Corporation and will be responsible for all management functions. The Executive Officer shall manage and direct all activities and staff of the Corporation as prescribed by the Executive Committee and the Board of Directors.

ARTICLE XII – VOTING, PROXIES, AND QUORUMS

Section 1. The Officer or agent having charge of the membership books of the Corporation shall make, at least ten (10) days before a meeting of the Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order with the address of such Members also listed.

[a] Such list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any Member at any time during usual business hours.

[b] Such list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any Member during the whole time of the meeting.

[c] The original membership books shall be prima facie evidence as to who are the Members entitled to examine such list or book or to vote at any meeting of the Members.

Section 2. One-fourth (1/4) of the outstanding memberships of the Corporation entitled to vote, represented in person, shall constitute a quorum at a meeting of the Members.

[a] When a quorum is present, the affirmative vote of a majority of memberships represented at a meeting and entitled to vote on the subject matter shall be the act of the Members, unless the vote of a greater number or voting by classes is required by law or by the Articles of Incorporation.

[b] In the absence of quorum, a majority of Members present at a meeting may adjourn the meeting from time to time without further notice. At such adjourned meeting which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The Members entitled to vote present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than quorum.

Section 3. Voting by proxy shall not be allowed.

Section 4. At any meeting of the membership, only Members in good standing shall be entitled to vote.

[a] “Good standing” requires that any Member otherwise entitled to vote not be in arrears on any account due to the Corporation for a period exceeding ninety (90) days.

[b] Members who are entitled to vote shall only cast one vote.

[c] In the election of Directors, each membership entitled to vote shall have the number of votes for as many persons as there are Directors to be elected. Cumulative voting shall not be allowed.

Section 5. No vote may be cast by a Member entitled to vote by any party other than the member appearing on the books of the Corporation, or in the case of corporations, partnerships, joint ventures, or other entities or associations, by such entities' duly authorized representative.

Section 6. Any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if consent in writing, setting forth the action to taken, shall be signed by all the Members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as the unanimous vote of the Members entitled to vote and may be stated as such in any articles or documents filed with the Secretary of State of under the Colorado Non-Profit Corporation Act.

ARTICLE XIII – ELECTIONS

Section 1. For the purpose of electing Directors, the Nominations Committee shall solicit candidates for directorship and shall consider recommendations of Members for such candidacy. The nominating committee shall present their final report on nominations to the Board of Directors at least ten (10) days prior to the Annual Meeting, and shall propose the nominees to the Members at the Annual Meeting for consideration.

Section 2. During the Annual Meeting, additional nominations for Directors may be made from the floor; otherwise, nominations shall be considered closed.

Section 3. Vote shall be taken by secret ballot and the candidate(s) receiving the most votes for directorship shall be considered elected.

[a] In the event such majority is not obtained, a second vote shall be taken upon the leading candidates.

ARTICLE XIV – AMENDMENTS

Section 1. The Board of Directors and Members entitled to vote shall have the power to make, amend, and repeal the Bylaws of the Corporation at any regular meeting, Annual Meeting, or at any special meeting called for that purpose, provided that a copy of the proposed amendment(s) shall have been delivered personally or by mail, fax, or email to each Member and/or Director not less than thirty (30) days prior to the meeting at which such action is to be taken.

ARTICLE XV – COMMITTEES

Section 1. The Executive Committee shall consist of the President/Chairman of the Board, President-Elect, Secretary, Treasurer, and Immediate Past President. The Executive Committee shall conduct the affairs of the Corporation in accordance with the Bylaws, policies, and instructions of the Board of Directors, and shall be responsible for establishing an annual operating budget for the Corporation. The Committee shall be responsible for all matters of policy and public statement, subject to the approval of the Board of Directors.

[a] The Executive Committee shall meet at the call of the President, the Board of Directors, or by any four (4) of its members.

[b] Four (4) members of the Executive Committee shall constitute quorum.

Section 2. The Nominations Committee shall be composed of five (5) Members appointed by the President and approved by majority action of the Board of Directors.

[a] The Committee shall be seated at least thirty (30) days prior to the Annual Meeting.

[b] The Immediate Past President and the President shall be two of the five members of the Nominating Committee.

Section 3. There shall be other such committees as may be designated by the Board of Directors, the members of which shall be appointed by the President.

Section 4. The term of office for a committee member shall expire with the termination and/or expiration of the office of the President who shall have made the appointment.

Section 5. Where the Board of Directors or the President does not appoint complete committee personnel, then, subject to approval by majority action of the Board of Directors, each committee chair shall appoint the members of the committee.

ARTICLE XVI – FINANCE

Section 1. Dues and other monies collected by the Corporation shall be placed in a depository selected by the Board of Directors. Payments from the funds of the Corporation shall be made on the signature of the President, President-Elect, Secretary, Treasurer, and Executive Officer.

[a] Each check over \$1,500.00 requires two signatures.

Section 2. The Executive Committee shall prepare and the Board of Directors shall adopt an operating budget as its first order of business at the beginning of each fiscal year, and the Corporation shall operate within the totals of such budget.

[a] Any expenditure which exceeds a budget item by \$1,000.00 or more must have prior approval of the Board of Directors.

Section 3. The Treasurer and other Officers and members of staff handling the funds of the Corporation may be furnished a bond at the expense of the Corporation in such amount as the Board of Directors shall determine.

Section 4. There shall be at least an annual review of the finances of the Corporation by an independent Certified Public Accountant, and this, together with a report from the Treasurer, shall be submitted annually to the Board of Directors.

Section 5. A trust or cash reserve fund may be established for the benefit of the Corporation, the purpose of which shall be to establish a protected reserve of Corporation funds not necessary for operation during the current fiscal period, to wisely invest Corporation money where a maximum of security, availability, and return is insured, and to insure the membership a solvent and financially secure Corporation during periods when income does not meet operating expenses.

[a] Any trust or cash reserve fund shall be managed by the Executive Committee.

ARTICLE XVII – POWERS TO LEND AND BORROW

Section 1. The Officers of the Corporation shall be authorized to lend and borrow money upon the affirmative vote of the majority of Directors present at a meeting called for such purpose.

ARTICLE XVIII – INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Each Director and Officer of the Corporation and their personal representatives shall be indemnified by the Corporation against all costs and expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding in which they may be involved or to which they may be made a party by reason of their being or having been such Director or Officer, except in relation to matters as to which they shall finally be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty. Such costs and expenses shall include amounts reasonably paid in settlement for the purpose of curtailing the costs of litigation, but only if the Corporation is advised in writing by its Counsel that in his opinion the person indemnified did not commit such negligence or misconduct.

Section 2. The foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled as a matter of law or by agreement.

ARTICLE XIX – NOTICES

Section 1. All Members shall provide to the Corporation their official mailing address, fax number, and email address as applicable. Any notice required hereunder shall be deemed sufficiently given as of the date of mailing, faxing, or emailing the same to the official address, fax number, or email address carried on the books of the Corporation. Any change to the Member's address, fax number, or email address shall be given in writing to the Corporation.

Section 2. Whenever notice is required by law, by the Certificate of Incorporation, or by the Bylaws of the Corporation, waiver thereof in writing signed by the Director, Member, or other person entitled to said notice, whether before, at, or after the time stated therein, or their appearance at such meeting in person shall be equivalent to such notice.

ARTICLE XXI – PROCEDURE

Section 1. Roberts Rules of Order shall govern the procedure of all meetings of the Corporation.

ATTACHMENT A

BY LAWS
HOUSING AND BUILDING ASSOCIATION
OF NORTHWESTERN COLORADO, INC

ARTICLE VII – DUES AND FEES

- Section 1. Dues for Builder/Developer Members shall be \$450.00 per year.
Builder/Developer Members shall also pay \$50.00 per unit for each permit secured for single family, duplex, multi-family, or commercial construction, repair, and/or renovation.
- [a] The maximum permit assessment to be paid by a Builder/Developer Member shall be \$1,000.00 per calendar year.
- [b] Assessments are payable whether the Builder/Developer Member is the builder, builder/owner, or owner, or acting as the contractor for another party.
- Section 2. Dues for Associate Members shall be \$500.00 per year.
- Section 3. Dues for Affiliate Members shall be \$100.00 per year.
- Section 4. Member dues and assessments shall be apportioned according to the terms and requirements set forth by NAHB and CAHB.
- [a] For each Member dues payment received, \$150.00 shall be remitted to NAHB and \$175.00 shall be remitted to CAHB. For each Affiliate Member dues payment received, \$5.00 shall be remitted to NAHB and \$5.00 shall be remitted to CAHB.
- [b] For each permit assessment received, \$20.00 shall be remitted to CAHB.