

**PENINSULA HOUSING  
&  
BUILDERS ASSOCIATION, INC.**

**CONSTITUTION**

**ARTICLE I**

Name and Location

Sec. 1. The name of this Association, pursuant to its Certificate of Incorporation, shall be the PENINSULA HOUSING & BUILDERS ASSOCIATION, INC. (hereinafter referred to as "Association").

Sec. 2. The principal office of this Association shall be located at 760 McGuire Place, Newport News, Virginia, or such other place as the Board of Directors may from time to time designate.

**ARTICLE II**

Territorial Jurisdiction

Sec. 1. This Association shall operate for the benefit of home builders, developers, remodelers, multi-family owners and managers, light commercial builders, housing marketers, bankers and suppliers of goods and services involved with the housing and building industry in the Counties of Gloucester, Isle of Wight, James City, Mathews and York and Cities of Hampton, Newport News, Poquoson and Williamsburg, Virginia.

**ARTICLE III**

Objectives/Goals/Mission

Sec.1. This Association shall operate as an Affiliated Association of the National Association of Home Builders of the United States (hereinafter referred to as "NAHB") and the Home Builders Association of Virginia (hereinafter referred to as "HBAV").

Sec. 2. The objectives, goals and mission of this association shall be:

(a) To assist in the accomplishment of the mutual objectives of NAHB and HBAV.

(b) To assist the Officers, Board of Directors and Membership

Committees of NAHB and HBAV in qualifying members operating within the above described territorial jurisdiction.

- (c) To participate for the purpose of mutual benefit in an interchange of information and experience with all other local affiliated Associations of NAHB and HBAV.
- (d) To associate members for the purpose of mutual advantage, cooperation and opportunity for expansion of business.
- (e) To cooperate with all other Associations/Councils of the housing industry including manufacturers, contractors, suppliers and financial firms for the purpose of mutual advantage and for the benefit of the industry as a whole.
- (f) To maintain high professional standards and sound ethical business practices among its members through the enforcement of its Code of Ethics.
- (g) To secure cooperative action in advancing the common purpose(s) of its members and proper consideration of opinions upon questions affecting the Housing Industry.
- (h) To encourage legislation and regulations that results in affordable, obtainable and safe housing and to serve as the premier voice on local, state and national legislative and regulatory issues affecting the Housing Industry.
- (i) To promote a balanced approach to the use of the environment and the protection of private property rights.
- (j) To provide education and information on housing to members, governmental officials and to the home buying public of today and tomorrow.
- (k) To promote a positive image of the Housing Industry within its territorial jurisdiction.

Sec. 3. This Association shall operate without profit and no part of the income of Association inure to the benefit of any individual member except as payment for professional services provided at fair market rates.

## **ARTICLE IV**

### **Code of Ethics for Active Members**

Sec. 1. The Active Members of this Association shall be limited to those persons and firms who shall subscribe to the following Code of Ethics:

(a) Members of NAHB, HBAV and this Association believe and affirm that:

(1) Home ownership can and should be within reach of every American family.

(2) American homes should be well designed, well constructed and well located in attractive communities, with educational, recreational, religious and shopping facilities accessible to all.

(3) American homes should be built under the free American enterprise system; and

(b) To achieve these goals, we pledge allegiance to the following principles and policies:

(1) Our paramount responsibility is to our Customers, our Community and our Country.

(2) Honesty is our guiding business policy.

(3) High standards of health, safety and sanitation shall be built into every home.

(4) Members shall deal fairly with their respective employees, subcontractors and suppliers.

(5) As members of a progressive industry, we encourage research to develop new materials, new building systems and improved methods of home financing, to the end that every home purchaser may get the greatest value possible for every dollar.

(6) All sound legislative proposals affecting our industry and the people we serve shall have our informed and vigorous support.

(7) We hold inviolate the free enterprise system and the American way of life. We pledge our support to our members, our local, state and national Association and all related industries concerned with the preservation of legitimate rights and freedom.

(8) We accept these responsibilities freely and solemnly, mindful that they are part of our obligation as members of NAHB, HBAV and this Association.

## **ARTICLE V**

### Amendments

Sec. 1. This Constitution may be amended by a vote of two-thirds (2/3) of the Directors present or represented by proxy at any meeting provided there is a quorum and provides further that a copy of the proposed amendments shall have been mailed to each Member of the Board-not less than ten (10) calendar days prior to the meeting at which action is to be taken thereon.

**PENINSULA HOUSING  
&  
BUILDERS ASSOCIATION, INC.**

**BYLAWS**

**ARTICLE I**  
Membership

Sec. 1. Membership in this Association shall be of three (3) classes:

- (a) Builder Membership
- (b) Associate Membership
- (c) Senior Membership
- (d) Honorary Membership

Sec. 2. Qualifications for Membership in this Association shall be as follows:

(a) Builder Membership shall be open to all person, firm or corporation that is or has been in the business of building homes, apartments, schools, commercial, industrial or other structures, including developing land and remodeling normally related and appurtenant to a community within the territorial jurisdiction of this Association and who has "taken out" at least one (1) Permit in the applicant's or applicant principal's name, and who shall agree to abide by the provisions of the Constitution and Bylaws (and amendments thereof), who shall subscribe to the Code of Ethics and who shall meet with the approval of the Membership Committee and the Board of Directors.

(b) Associate Membership shall be open to any person, firm or corporation engaged in any allied trade, industry or profession within the territorial jurisdiction of this Association and who shall agree to abide by the provisions of the Constitution and Bylaws (and any amendment thereof), and who shall subscribe to the Code of Ethics and who shall meet with the approval of the Membership Committee and the

Board of Directors.

(c) Senior Membership shall be open to individuals who meet the following criteria:

- 1) Attained the age of 65; and
- 2) Been active in the Association as a member or as a employee of a member for a period of 20 years; and
- 3) Served this Association as:
  - a) An Officer; or
  - b) Ten years on the Board of Directors; and
- 4) Shall meet with the approval of the Membership Committee and the Board of Directors.

(d) Honorary Membership shall be open to any person meeting the qualifications set forth herein upon nomination by the Executive Committee and election by the Board of Directors. The Board of Directors may from time to time elect to Honorary Membership a person (or persons) who has provided exemplary leadership or service to this Association or who through professional or civic pursuits has promoted the attainment of the objectives, goals and mission of the Association. No person who is actively engaged as a principal or employee of any Builder Member or Associate Member shall be eligible for Honorary Membership. No Honorary Member shall be assessed membership dues, nor hold any voting rights, nor be eligible to hold any office in the Association. Honorary Membership in this Association shall not be construed to confer any membership in the Home Builders Association of Virginia or the National Association of Home Builders. Honorary Members shall be included on the Association's mailing list and shall be eligible and encouraged to attend all of the functions and activities of the Association at the same fees or charges levied for Builder or Associate members; provided, however, that such fees or charges may be waived at the discretion of the Executive Committee.

Sec. 3. Applications for Membership in this Association shall be made to the Membership Committee and processed in the following manner:

- (a) Applicant shall submit an application in writing on a form supplied by this Association containing an agreement to abide by the Bylaws and observe the Code of Ethics of this Association. Applications for firms or corporations shall designate an individual who shall serve as the member representative.
- (b) Application shall be endorsed by at least one Member in good standing and shall be accompanied by a payment of an amount sufficient to cover one year's dues in advance, as hereinafter set forth. All payments so made shall be returned in full if membership is not approved.
- (c) The Executive Committee shall review all applications for membership and make their recommendations to the Board of Directors in whom shall be vested the exclusive right to elect to the membership.
- (d) Applicants rejected by the Board of Directors for membership shall become ineligible to reapply for a period of one year from date of application.
- (e) When elected to membership in this Association, applicant automatically becomes a member of the National Association of Home Builders of the United States and the Home Builders Association of Virginia.

Sec. 4. Suspension, termination, reinstatement and transfer of membership in this Association shall be accomplished in the following manner:

- (a) Any member whose annual dues are not paid in full within sixty (60) days after they become due and payable may be expelled by a majority vote of the Board of Directors.
- (b) Any member may be censured, suspended or expelled from the Association for cause, if in the opinion of the Board of Directors, it shall be considered desirable for the best interest of the Association or its members that the said member be censured, suspended or expelled. Such action shall require the affirmative vote of two-thirds (2/3) of the attending Board of Directors at any regular or called meeting with a quorum present or represented by proxy.
- (c) A vote of two-thirds (2/3) of the attending Board of Directors, with a quorum present or represented by proxy, shall be required to

reinstate any member who has been expelled or suspended pursuant to the provisions of this Section.

(d) Any member being censured, suspended or expelled from the Association shall be given notice at least ten (10) days in advance of the Board of Directors meeting of the date, hour and place of the meeting to consider such action. The member shall also be given the opportunity to attend the meeting and represent him/her/self.

Sec. 5. Meetings of the Membership shall be held as follows:

(a) An Annual Meeting of the Membership shall be held by the end of the first quarter at such time and place as may be selected by the Board of Directors for the purpose of reviewing the affairs of the Association for the past year and inducting Officers and Directors for the coming year.

(b) Regular meetings of the membership of this Association shall be held at least quarterly or at such other times as may be selected by the Board of Directors.

(c) Special meetings of the membership of this Association may be called at any time by the President or the Board of Directors.

(d) Written notice shall be given of the date, hour and place of all meetings to each member at least ten (10) calendar days in advance.

## **ARTICLE II**

### **Dues**

Sec. 1. Dues:

(a) The annual dues for each class of membership and Council membership shall be determined by the Board of Directors and shall be published for the membership.

(b) Dues shall be assessed annually and payable in advance of membership anniversary date as established by the National Association of Home Builders and the Home Builders Association of Virginia. Additional billing procedures may be established by the Board of Directors as designated.

(c) Payment of annual dues shall entitle a member to join any Council, provided that, if Council membership requires supplemental dues as approved by the Board of Directors, the member also pays such supplemental dues.

(d) These dues shall include those required for membership in the National Association of Home Builders and the Home Builders Association of Virginia and all members in good standing are entitled to, for the period of the annual dues, the full benefits, services and privileges of the National and State dues in accordance with the requirements as changed from time to time by the National and State Associations.

### **ARTICLE III** Board of Directors

Sec.1. Board of Directors shall be elected from the Membership. Directors shall hold office for one fiscal year or until their successors are duly elected and qualified. In accordance with the NAHB bylaws, the majority of the members of the Board of Directors of PHBA must be Builder Members. There shall be:

(a) One (1) Director elected from the Builder membership for each complete unit of ten (10) Builder Members; and

(b) One (1) Director elected from the Associate Membership for each complete unit of twenty (20) Associate Members.

(c) Individual members, member representatives of business entities and associate members shall be eligible to serve as a Director. No business entity shall be represented by more than two Directors at any given time.

(d) In addition to those elected in Sec. 1, the First Vice President shall recommend to the Nominating Committee (8) Area Directors from the Builder/Associate Membership, each living and/or doing business in separate areas within the territorial jurisdiction of this Association, who shall be Area Directors with all privileges of a Director including the right to vote. The areas shall be:

Area I City of Newport News

Area II City of Hampton

Area III City of Poquoson

Area IV City of Williamsburg

Area V County of York

Area VI County of James City

- (d) In addition, the Past Presidents are to be Life Directors with all privileges of Directors including the right to vote. However, their attendance and/or absence at the Board of Directors shall not be represented by proxies at meetings of the Board and they shall not be counted to the quorum.

Sec. 2. In addition to Sec. 1 above, the following shall be considered elected Directors with all privileges of the Directors including the right to vote:

- (a) Chairman of the Peninsula Apartment Council
- (b) Chairman of the Peninsula Sales and Marketing Council
- (c) Chairman of the Peninsula Remodelors Council
- (e) Chairman of the Legislative Committee
- (f) Chairman of the Williamsburg Community Builders Association

Sec. 3. The NAHB Directors and HBAV Builder and Associate Directors shall be considered Directors of this Association with all privileges of the Directors including the right to vote.

Sec. 4. Any member of this Association serving as an elected NAHB or HBAV Officer shall, during the term of holding such office, be considered an elected Director of this Association with all privileges of the Directors including the right to vote.

Sec. 5.

- (a) The President shall be Chairman of the Board of Directors without a vote except to break a tie vote.
- (b) The President may pass the Chair to the next ranking Officer present to serve as Chairman of the Board to conduct meetings. In

such an event, the elected President shall have a vote and the new Chairman shall not have a vote except to break a tie vote.

Sec. 6. Vacancies on the Board of Directors and failure to attend meetings shall be governed as follows:

(a) Vacancies on the Board of Directors, including National and State Directors occasioned by death or resignation, shall be filled by appointment of the President; the person so appointed shall then serve the unexpired term of his predecessor.

(b) Any Director may, by written notice explaining reason in detail, petition the Board of Directors to be excused from compliance with Section 6 (b) of this Article. Provided that a quorum is present or represented by proxy a vote of two-thirds (2/3) of the Directors present or represented by proxy, shall be required to grant such excused absence. Such excused absence shall be granted for specific meetings only.

Sec. 7. Meetings of the Board of Directors shall be held as follows:

(a) An Organizational Meeting of the Board of Directors of the Association shall be held as soon as possible following the Annual election of the Directors for the purpose of electing and/or certifying Officers and Directors and considering such other matters as may properly come before them.

(b) Regular meetings of the Board of Directors shall be held quarterly or at such other times as the Board may direct.

(c) Special meetings of the Board of Directors may be called by the President or upon formal request in writing of five (5) of its members.

(d) Notice of the date, hour and place of all meetings must be given to the Directors three (3) calendar days in advance.

#### **ARTICLE IV** Elected Officers

Sec. 1. The following officers shall be elected and/or certified by the Board of Directors from the Builder Membership of the Board of Directors and shall

hold office for a term of one (1) fiscal year or until their successors are duly elected and qualified.

(a) A President who shall be the Chief Officer of this Association and shall preside at its meetings and those of the Board of Directors and Executive Committee. He shall be the Official Spokesman of this Association in matters of public policy. He shall also appoint committee chair people and committees as set forth herein, shall be an *ex officio* member of all committees and Councils and shall perform all duties usual to such office.

(b) A First Vice President who shall, in the absence of the President or upon his discretion, perform all of the duties of the President. He shall also serve on the Executive Committee.

(c) A Second Vice President who shall, in the absence of the President and the First Vice President or upon discretion, perform all of the duties of the President and/or First Vice President and shall perform such other duties as may be assigned by the President and shall also serve on the Executive Committee.

Sec. 2. The following officer shall be elected and/or certified from the Builder membership or Associate membership of the Board of Directors and shall hold office for a term of one(1) fiscal year or until his or her successor is duly elected and qualified.

(a) A Treasurer who shall be responsible to the Association for an accounting of all monies collected and disbursed by the Association. He shall also be responsible for the real and personal property of the Association. The Treasurer shall render a quarterly report to the Board of Directors and shall serve on the Executive Committee and shall perform such other duties as may be assigned by the President.

(b) A Secretary who shall maintain the Minutes of the Board of Directors and Executive Committee Meetings and perform such other duties as may be assigned by the President. He shall also serve on the Executive Committee.

Sec. 3. The following officers shall be elected and/or certified from the Associate Membership of the Board of Directors and shall hold office for a term of one (1) fiscal year or until their successors are duly elected and

qualified.

(a) Associate Vice President who shall serve as Secretary to the Board of Directors and/or Executive Committee in the absence of the Secretary. He shall perform the duties as designed by the President, shall serve on the Executive Committee and shall serve as Chairman of the Associates Committee.

## **ARTICLE V**

### Professional Staff

Sec.1. The following Professional staff may be employed by the Executive Committee upon the approval of the Board of Directors at such rate of compensation as they deem fair and proper within budget limitations.

(a) Executive Vice President who shall be the Chief Administrative Officer of this Association and shall serve the Membership of the Association.

(b) A General Counsel who shall be an Attorney-At-Law licensed to practice within the territorial jurisdiction of this Association on legal matters and shall serve at the pleasure of the Executive Committee.

Sec. 2. The rate of compensation of the Executive Vice President will be determined by the Board of Directors.

Sec. 3. The Executive Vice President shall serve as the Chief Executive Officer of this Association. The Executive Vice President shall perform the duties and responsibilities delegated to him by the Board of Directors and all other functions usual to such office.

Sec. 4. The Executive Vice President shall be empowered to employ and supervise an adequate staff to carry on the business of this Association. The rates of compensation shall be within the limitations of the ~~fiscal~~ adopted operating budget.

Sec. 5. The Executive Vice President shall be an *Ex Officio*, Non-Voting Member of the Board of Directors, the Executive Committee and all Committees and Councils of the Association except the compensation committee.

Sec. 6. Removal of the Executive Vice President may occur when it is in the best interest of the Association and:

- (a) by a two-thirds (2/3) vote of the Board of Directors where there is a quorum
- (b) when the Executive Vice President has been given thirty (30) days notice in advance of the meeting of the Board of Directors at which the vote is to be taken
- (c) when the Executive Vice President has been afforded a reasonable opportunity to be heard
- (d) removal shall be without prejudice to the contract rights, if any, of the Association or of the person removed.

Sec. 7. Bonding Requirements - The Executive Vice President and other officers or members of the staff authorized by the Executive Committee to handle the funds of the Association, shall furnish a bond at the expense of the Association in such amount as the Executive Committee shall determine.

## **ARTICLE VI**

### Voting, Proxies and Quorums

Sec. 1. The voting privilege shall be limited as follows:

- (a) At meetings of the Membership, only Members in good standing shall have the right to vote. Business entities holding Membership shall be entitled to only one (1) vote to be cast through its member representative.
- (b) At meetings of the Board of Directors, only members of the Board shall have the right to vote.

Sec. 2. Votes may be cast by proxy in the following manner:

- (a) Any Member entitled to vote may by an instrument in writing bearing a date not more than thirty (30) days in advance of the meeting designate another Member other than the President to vote for him/her in his/her place and stead at any meeting of the Membership.

(b) Any member of the Board of Directors may by an instrument in writing bearing a date not more than thirty (30) days in advance of the meeting designate another Director other than the president to vote for him/her in his/her place and stead at any meeting of the Board of Directors.

Sec. 3. A majority vote on any measure will be determined as follows:

(a) A majority vote of the Members present or recognized by proxy at any meeting of the Membership shall carry any measure provided the number of Members in attendance or recognized by proxy at the meeting constitutes a quorum.

(b) A majority vote of the Directors present or recognized by proxy at any meeting of the Board of Directors shall carry any measure provided the number of Directors in attendance or recognized by proxy at the meeting constitutes a quorum.

Sec. 4. A quorum present at any meeting shall be determined as follows:

(a) A quorum of the Membership shall consist of not less than one-third (1/3) of the Members of this Association in attendance or represented by proxy.

(b) A quorum of the Board of Directors shall consist of not less than one third (1/3) of its Directors in attendance or represented by proxy. Life Directors and Past Presidents shall not be counted in quorum nor counted by proxy.

## **ARTICLE VII**

### **Elections**

Sec. 1. The Nomination Committee shall:

(a) Solicit and consider the recommendations of the membership, both Builder and Associate, as to nominations for the Board of Directors, Officers, Area Directors, National Directors and State Directors.

(b) On or before the 1<sup>st</sup> day of October of each calendar year, the Committee on Nominations shall report its nominations to the Executive

Vice President, who shall immediately issue a bulletin through the mail to all members notifying them of the names of the members placed in nomination by the Committee and advising the membership that Members have the right to add to the list of nominations. All nominations shall close at noon on the 15<sup>th</sup> day of October , except that should the 15<sup>th</sup> day of October fall on a Sunday or a holiday, then all of the nominations shall close on noon on the next business day immediately following the 15<sup>th</sup> day of October. After the said bulletin is mailed to members, as provided above, and until the close of nominations, any member of the Association may submit to the Executive Vice President, over the signature of the member, the names of such additional members as he may desire to nominate and such members shall be deemed nominated accordingly.

Sec. 2. In the event no additional nominations are received:

(a) The nominees selected by the Nominating Committee shall be considered elected by acclamation and submitted to the Board of Directors for certification.

(b) The nominee nominated by the Nominating Committee for President shall be declared President Elect and shall be authorized to begin planning and making appointments to carry out his/her programs for the coming year.

Sec. 3. In the event additional nominations are received:

(a) The Executive Vice President shall immediately upon the closing of nominations cause to be printed under the supervision of the Committee on Nominations a ballot bearing the names of all members nominated for the contested office(s).

(b) Such ballot shall be plainly marked "Official Ballot," shall state the office to be voted for and the date on or before which the said ballot must be returned to the Association Office together with such other voting instructions as, in the opinion of the Executive Vice President and the Committee on Nominations, will prove helpful and sufficient to the voting members, with directions to the voting members to designate on the ballot by check mark the candidates for whom they wish to vote and for whom they are entitled to vote, not exceeding the number of candidates to be elected and to enclose and seal the ballot, after marking it, in the self-addressed envelope hereinafter provided for and

to return the same either in person or by mail to the Peninsula Housing & Builders Association, Incorporated not later than noon of the day preceding the date fixed for the annual election. The date fixed for annual election shall be the first Tuesday in November of each calendar year.

(c) As soon thereafter as the said ballot are printed, the Executive Vice President shall cause an Official Ballot to be mailed to each member of the Association in good standing accompanied by a self-addressed envelope in which to return said ballot. The envelope shall be plainly addressed to the Peninsula Housing & Builders Association, Incorporated as its official address.

(d) All ballots marked and returned in accordance with the foregoing requirements shall be deemed and treated as valid.

(e) Three tellers from the membership for the counting of said ballots shall be appointed by the President prior to said election.

(f) As ballots are received at the Association Office, they shall be deposited by a member of the staff in a Ballot Box previously inspected and locked by the chairman of the Committee of Tellers and shall remain locked during the voting period. The said Chairman shall retain the key in his custody and will immediately after the close of said voting period open the Ballot Box and the Committee of Tellers shall proceed to count the ballots. They shall tabulate the vote, certify the results in writing and transmit same to the Executive Vice President who shall file same in the permanent records of the Association. The Membership shall then be notified as to the members elected.

(g) An Organizational Meeting of the Board of Directors of the Association shall be held as soon as possible following the Annual Election, but no later than November 30<sup>th</sup>, for the purpose of certifying the election; establishing meeting dates, times and places; and such other businesses as may be proper.

## **ARTICLE VIII**

### **Executive Committee**

Sec. 1. The Executive Committee shall be composed of the President, the First Vice President, the Second Vice President, the Treasurer, the Associate Vice President, the Secretary and the Immediate Past President. The

President shall be the Chairman.

Sec. 2. 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 the authority to elect, appoint or remove any member of the Executive Committee or any Director or elected Officer of the Association; amend or restate the Articles of Incorporation, Constitution or Bylaws; adopt a plan of merger or consolidation with another organization; authorize the voluntary dissolution of the Association or revoke proceeding therefore; adopt a plan for the distribution of the assets of the Association; or except, or amend, alter or repeal any resolution of the Board of Directors.

Sec. 3. The Executive Committee is accountable to the Board of Directors and must provide each Director, prior to or at the following Board of Directors Meeting with a copy of Meeting Minutes for approval, amendment or rejection.

Sec. 4. The Executive Committee shall meet upon call of the President or upon written notice signed by three (3) members of the Executive Committee.

Sec. 5. A majority of the Executive Committee shall constitute a quorum for the transaction of business and a majority vote of those present shall carry any measure.

Sec. 6. Notice of any meeting of the Executive Committee shall be given at least seven (7) days prior thereto.

Sec. 7. In case of an emergency, notice may be immediate by telephone or fax in which case the first order of business at the meeting shall be to waive notice of meeting and only the emergency may be considered.

## **ARTICLE IX**

### Standing Committees

Sec. 1. The Nominating Committee shall be composed of the President, the Immediate Past President, the First Vice President and two (2) additional Builders and three (3) Associates appointed by the President from the membership. The Immediate Past President shall be the Chairman.

Sec. 2. The Finance Committee shall be composed of the President, Treasurer, First Vice President, and Immediate Past President and such Associate members as may be assigned by the President. The Treasurer

shall serve as the Chairman of this Committee. The Executive Vice President is a non-voting member.

Sec 3. Compensation Committee. A Compensation Committee composed of the President, Immediate Past President, Treasurer and Associate Vice President will meet annually in September to review the compensation and performance of the Executive Vice President and review its findings with the Executive Vice President. Recommendations as to salary, health benefits, bonuses, retirement plans, etc. will be submitted to the Finance Committee for inclusion in the next year's budget. The President shall serve as Chairman of this Compensation Committee.

Sec. 4. The Membership Committee shall be comprised of the Second Vice President, who shall serve as chairman or their designee; the Associate Vice President; subcommittee chairmen for recruitment and retention; and such members as they select or who desires to attend. The Committee shall meet monthly, present its annual program for approval to the Board each February and report the results of the program the following December.

Sec. 5. The Legislative Committee shall be composed of the First Vice President, who shall serve as chair or their designee; the eight Area Directors of the Board of Directors; and such members as they select or who may desire to attend. The Committee shall meet monthly, present its annual program for approval to the Board each February and report the results of the program the following December.

Sec. 6. The President, with the approval of the Executive Committee and Board of Directors, may establish such other Committees and Councils for the Association as are necessary except as otherwise specifically provided in the bylaws.

Sec. 7. Committees will be subject to the Bylaws of the Peninsula Housing & Builders Association and as such will be governed accordingly. No Committee will be autonomous or independent of the rules and regulations set forth by these Bylaws, and the term Committee and Council shall imply the same meaning and shall be interchangeable.

Sec. 8. The Chairman and members of all Committees of the Association shall be appointed by the President except as otherwise specifically provided in these Bylaws.

Sec. 9. Special Committees may be appointed by the President as he may

from time to time deem advisable.

Sec. 10. Meetings of all Committees shall be upon the call of the Chairman.

Sec. 11. A simple majority vote in the Committee shall decide an issue provided a quorum is present.

Sec. 12. The presence of one-third (1/3) of the Committee members at a meeting shall constitute a quorum.

## **ARTICLE X**

### **Councils**

Sec. 1. There shall be the following Councils:

(a) The Peninsula Apartment Council shall be composed of those members and their employees interested in this field of housing. This Council shall be governed by bylaws, which shall be adopted and/or amended by members of the Council and approved by the Association's Board of Directors. The Council's Officers and Governing Body shall be elected and additional dues adopted as set forth in the Council's bylaws.

(b) The Remodelors Council shall be composed of those members and their employees interested in this field of housing. This Council shall be governed by Bylaws, which shall be adopted and/or amended by members of the Council and approved by the Association's Board of Directors. The Council's Officers and Governing Body shall be elected and additional dues adopted as set forth in the Council's Bylaws and approved by the Board of Directors.

(c) The Sales and Marketing Council shall be composed of those members and their employees interested in this field of housing. This Council shall be governed by Bylaws, which shall be adopted and/or amended by members of the Council and approved by the Association's Board of Directors. The Council's Officers and Governing Body shall be elected and additional dues adopted as set forth in the Council's Bylaws and approved by the Board of Directors.

(d) The Williamsburg Community Builders Association shall be composed of those members and their employees interested in this market area. This Council shall be governed by bylaws, which shall be

adopted and/or amended by members of the Council and approved by the Association's Board of Directors. The Council's Officers and Governing Body shall be elected and additional dues adopted as set forth in the Council's bylaws and approved by the Board of Directors.

- (e) The Past President's Council shall be composed of those Builder members who have served the Association as President. The Immediate Past President shall be Chairman of this Council. The Council shall act as an advisory committee and/or shall have such duties as may be assigned by the Executive Committee and/or the President. This Council shall meet on call of the Chairman and five (5) shall constitute a quorum.

Sec. 2. Councils will be subject to the Bylaws of the Peninsula Housing & Builders Association and as such will be governed accordingly. No Council will be autonomous or independent of the rules and regulations set forth by these Bylaws, and the term Committee and Council shall imply the same meaning and shall be interchangeable.

## **ARTICLE XI**

### Finance

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

Sec. 2. The Finance Committee will:

- (a) Meet at the call of the Treasurer, and at least quarterly, to review the financial condition of the Association and report its findings to the Executive Committee.
- (b) Annually review and approve the Association's bookkeeping and accounting policies and procedures in accordance with the adopted accounting manual.
- (c) Develop and present to the Board of Directors, not later than November 30 of each year, a proposed operating budget and capital budget for the succeeding calendar year.

(d) Prepare and present a mid-year budget review to the Executive Committee and Board of Directors.

(e) Arrange for an annual audit of the Association's financial records and accounts and the preparation of a financial statement by a Certified Public Accountant no later than May 15 of the following year.

Sec. 3. The Board of Directors shall adopt a budget for each fiscal year, and this Association shall function within the limits of such budget. Any expenditures in excess of an approved budget must be authorized by the Board of Directors.

Sec. 4. Dues and other monies collected by the Association shall be placed in a depository selected by the Board of Directors. Payments from the funds of the Association shall be made on the signature of the Executive Vice President and the Treasurer and/or any other person so authorized by the Board of Directors.

Sec. 5. Contracts - The Executive Committee and the Executive Vice President are duly authorized to execute contracts for PHBA in the course of normal business activities.

Sec. 6. All checks shall be signed by the Executive Vice President and counter signed by the Treasurer or other elected officer."

Sec. 7. Reserve Funds - In preparing the budget, the Finance and Executive Committee may recommend to the Board of Directors, as part of the budget, such reserve funds for the future operation of the Association as they shall deem necessary and desirable in the prudent administration of the Association's financial affairs. No expenditures may be made from such reserve funds except recommendations of the Board of Directors. In the absence of a favorable recommendation of the Finance and Executive Committees for such expenditures, such fund or funds may be used for such proposals as may be approved by a two-thirds (2/3) vote of the Board of Directors with a quorum present or represented by proxies.

## **ARTICLE XII**

### General Provisions

Sec. 1. Representation of the Association.

(a) No Committee or Member thereof shall presume to represent the Association or any committee thereof before any legislative body, in any court or before any other tribunal, including the media, unless authorized to do so by the Board of Directors or by the Executive Committee. Whenever representation requires the filing of any brief other than a brief filed with a Legislative Committee, a substantial copy of the proposed brief shall, before it is filed, be submitted to be approved by the Executive Committee or such of its members as the Committee may designate to act for it.

(b) No report, recommendation or other action of any Committee or Council of the Association shall be considered as the action of the Association unless and until it shall have been approved or authorized by the Board of Directors or by the Executive Committee. No Committee or Council of the Association or any member of any such Committee or Council shall release any report of such Committee or Council to the public before the same is distributed to the Board of Directors or the Executive Committee as required by the Bylaws. This is not to be construed as limiting the customary news distributions of the Association through its Public Relations Department.

Sec. 2. Seal - The Board of Directors shall provide an Association Seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the word "Seal" in the center thereof, and the same is adopted as the Corporate Seal of the Association.

Sec. 3. Official Emblem - The Board of Directors shall adopt an official emblem for the exclusive use of this Association and its members in good standing. Use of the emblem by a member shall be confined to identifying him as a member in good standing of this Association. The emblem may not be used in any manner or position as to denote or imply any endorsement by the Association of a member's product or services and use of the emblem may not be conveyed by a member to another member or non-member for any purpose whatsoever. The Executive Committee shall have the authority to limit or restrict the use of the emblem from time to time as it deems proper. Misuse of the emblem shall constitute grounds for revocation of membership.

Sec. 4. Rules of Order - The rules contained in *Robert's Rules of Order, Revised*, shall govern this Association in all cases to which they are applicable, including meetings of the Board of Directors, if not inconsistent with these Bylaws or other Special Rules which may be adopted by this Association from time to time.

Sec. 5. Mailing List(s) – The mailing list(s) of the Association shall not be distributed except to members without authorization of the Executive Committee. Members shall use the mailing list(s) only for their own business purposes and shall not release the list(s) to non-members.

### **ARTICLE XIII**

#### Amendments to Bylaws

Sec. 1. These Bylaws may be amended or repealed at any regular or special meeting of the Board of Directors, provided a quorum is present or represented by proxy, by a two-thirds (2/3) vote of the Board members present or represented by proxy at such meeting. A summary of the substance of the proposed amendment(s) to these Bylaws shall be submitted in writing to each member of the Board of Directors at least ten (10) days before the meeting at which action shall be taken.

### **ARTICLE XIV**

#### Indemnification of Officers And Directors

Sec. 1. Definitions. For purposes of this Article the following definitions shall apply:

- (a) "expenses" include counsel fees, expert witness fees, and costs of investigation, litigation and appeal, as well as any amounts expended in asserting a claim for indemnification;
- (b) "liability" means the obligation to pay a judgment, settlement, penalty, fine, or other such obligation, including, without limitation, any excise tax assessed with respect to an employee benefit plan;
- (c) "legal entity" means a corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and
- (d) "proceeding" means any threatened, pending, or completed action, suit, proceeding or appeal whether civil, criminal, administrative or investigative and whether formal or informal.

Sec. 2. Limit on Liability. In every instance in which the Virginia Nonstock Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of liability of directors or officers of a corporation to the corporation, the directors and officers of this Association shall not be liable to the Association.

Sec. 3. Indemnification of Directors and Officers. The Association shall indemnify any individual who is, was or is threatened to be made a party to a proceeding (including a proceeding by or in the right of the Association) because such individual is or was a director or officer of the Association or because such individual is or was serving the Association, or any other legal entity in any capacity at the request of the Association while a director or officer of the Association, against all liabilities and reasonable expenses incurred in the proceeding except such liabilities and expenses as are incurred because of such individual's willful misconduct or knowing violation of the criminal law. Service as a director or officer of a legal entity controlled by the Association shall be deemed service at the request of the Association. The determination that indemnification under this Section (3) is permissible and the evaluation as to the reasonableness of expenses in a specific case shall be made, in the case of a director, as provided by law, and in the case of an officer, as provided in Section (4) of this Article ; provided, however, that if a majority of the directors of the Association has changed after the date of the alleged conduct giving rise to a claim for indemnification, such determination and evaluation shall, at the option of the person claiming indemnification, be made by special legal counsel agreed upon by the Board of Directors and such person. The Association shall make advances and reimbursements for expenses incurred by a director or officer in a proceeding in advance of the final disposition thereof if the director or officer furnishes the Association with an undertaking to repay the advance if it is ultimately determined that the director or officer engaged in willful misconduct or a knowing violation of criminal law. Such undertaking shall be an unlimited, unsecured general obligation of the director or officer and shall be accepted without reference to such director's or officer's ability to make repayment. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not of itself create a presumption that a director or officer acted in such a manner as to make such director or officer ineligible for indemnification. The Association is authorized to contract in advance to indemnify and make advances and reimbursements for expenses to any of its directors or officers to the same extent provided in this Section (3).

Sec. 4. Indemnification of Others. The Association may, to a lesser extent or to the same extent that it is required to provide indemnification and make advances and reimbursements for expenses to its directors and officers pursuant to Section (3), provide indemnification and make advances and reimbursements for expenses to its employees and agents, the directors, officers, employees and agents of its subsidiaries and predecessor entities, and any person serving any other legal entity in any capacity at the request of the

Association, and may contract in advance to do so. The determination that indemnification under this Section (4) is permissible, the authorization of such indemnification and the evaluation as to the reasonableness of expenses in a specific case shall be made as authorized from time to time by general or specific action of the Board of Directors, which action may be taken before or after a claim for indemnification is made, or otherwise provided by law. No person's rights under Section (3) of this Article shall be limited by the provisions of this Section (4).

Sec. 5. Miscellaneous. The rights of each person entitled to indemnification under this Article shall inure to the benefit of such person's heirs, executors and administrators. Special legal counsel selected to make determinations under this Article may be counsel for the Association. Indemnification pursuant to this Article shall not be exclusive of any other right of indemnification to which any person may be entitled, including indemnification pursuant to a valid contract, indemnification by legal entities other than the Association and indemnification under policies of insurance purchased and maintained by the Association or others. However, no person shall be entitled to indemnification by the Association to the extent such person is indemnified by another, including an insurer. The Association is authorized to purchase and maintain insurance against any liability it may have under this Article or to protect any of the persons named above against any liability arising from their service to the Association or any other legal entity at the request of the Association regardless of the Association's power to indemnify against such liability. The provisions of this Article shall not be deemed to preclude the Association from entering into contracts otherwise permitted by law with any individuals or legal entities, including those named above. If any provision of this Article or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of this Article, and to this end the provisions of this Article are severable.

Sec. 6. Application; Amendments. The provisions of this Article shall be applicable from and after its adoption even though some or all of the underlying conduct or events relating to a proceeding may have occurred before its adoption. No amendment, modification or repeal of this Article shall diminish the rights provided hereunder to any person arising from conduct or events occurring before the adoption of such amendment, modification or repeal.