

BYLAWS  
OF  
AMERICAN SUBCONTRACTORS ASSOCIATION OF COLORADO

ARTICLE I

Offices

The principal office of the Association shall be located in the greater metropolitan area of Denver, State of Colorado. The Association may have such other offices within the State of Colorado as the Board of Directors may determine to meet the needs and requirements of the Association.

ARTICLE II

Purpose and Objectives

The Association shall have the following purposes and objectives:

- A. To act as a trade association for its members and such, to perform for its members those services which can better be performed as a group than separately.
- B. To deal with trade and promotional challenges of the construction industry performing work in the State of Colorado.
- C. To promote cooperation between subcontractors, general contractors, architects and other segments of the construction industry and their associations, with existing associations of subcontractors, and with organizations representing the trades and all lawful matters of interest of the construction industry.
- D. To do any and all lawful acts and things to help the construction industry better serve the public; to promote any legitimate common interest of its members; promote the construction industry and give back to the community.
- E. To offer educational programs to members regarding sound business practices.
- F. To actively promote the State of Colorado as a desirable place to conduct business.

## ARTICLE III

### Membership

1. Eligibility: Any person, firm, partnership or corporation actively, lawfully and substantially engaged in the business of subcontracting, specialty contracting, or the supplying of materials, equipment and labor to construction projects who can demonstrate that its membership would serve to advance the purposes of the association under Article II is eligible for membership subject to the terms and conditions of the bylaws.

Any established person, firm, partnership, limited liability corporation, limited liability partnership, private corporation or corporation which is actively engaged in the business of providing services, banking, law, accounting, insurance or any other non-construction type business shall be eligible for associate membership in the Association providing they can demonstrate that they provide or have provided substantial construction industry related services for subcontractors, specialty contractors, or suppliers which would serve to foster and advance the purposes of the association. It shall be within the sole discretion of the Board of Directors to determine in the case of each applicant whether or not he/she is qualified for associate membership.

Membership applications will be reviewed by the Board of Directors to ensure eligibility requirements are met.

2. Membership Categories: There shall be three categories of membership: Subcontractor, Specialty Contractor, Supplier and ~~Service~~ Associate Member.

3. Membership Dues: Annual dues and special assessments shall be determined by the Board of Directors. Members shall be advised of changes in rates, due dates for annual dues or establishment of special assessments at least 30 days prior to enactment.

Annual dues renewals are paid on an annualized basis and are due the first day of July. Special assessments will become due as determined by the board of directors. Any member who has not paid any due billing or special assessments within 60 days of its due date shall be considered delinquent and its membership in the Association automatically dropped at 60 days, per the Association's national bylaws.

4. Termination: Membership in the association may be terminated by written resignation of the member or by majority vote at any duly scheduled meeting of the Board of Directors. Upon such termination, all rights, privileges, and interests of the terminated member shall cease; however, the member shall remain liable for his obligations to the association.

Resignation/termination of membership shall not cause a refund of any membership dues.

Membership may be terminated for failure to pay any dues or special assessments within 60 days or for failure to comply with the bylaws or other rules of the association as determined by the Board.

5. Member-In-Good-Standing: A member-in-good-standing is a member who has no outstanding association dues, assessments or invoices more than 60 days due and who has not resigned or been terminated.

6. Voting: Each member-in-good-standing shall be entitled to cast one vote through its authorized representative. A majority vote of the membership in attendance at any meeting, via fax, email, text, instant message, in person or mail shall be required to carry a question. The voting of proxies is allowed and the company's proxy designation must be received in writing prior to the meeting.

## ARTICLE IV

### Board of Directors

1. Membership of the Board: The property, affairs and business of the association shall be managed by a Board of thirteen (13) directors, consisting of a President, Vice President, Secretary, Treasurer, Immediate Past President, and eight (8) directors. Twelve directors will be elected from the Association's members-in-good-standing, provided that not more than three persons from any one trade or group shall be members of the Board of Directors at the same time.

2. Elections, Term of Office: The president shall appoint a nominating committee composed of the Immediate Past President the President and the Vice President of the Association. The committee shall select its slate of nominees to the Board of Directors and report its selections to the Board in October. The membership will have an opportunity to nominate anyone from the floor, provided approval has been received by the proposed nominee and the nominee will serve if elected, at the October general meeting. All members will be advised of the nominees by publication in November. Ballots will be delivered to all members-in-good-standing and must be received back by the ASA office by the published date.

Each director, with the exception of the Immediate Past President shall hold office for a term of three years. Terms of the remaining directors shall be staggered as determined by the Board so that not more than 1/3 of the members of the Board are elected in any given year.

3. Duties: The Board of Directors shall be responsible for establishing the overall policies and rules of the Association. The Board of Directors shall meet and confer on all items put before it. Action shall be decided by majority vote at any meeting at which a quorum is present. The Board of Directors shall also have the responsibility for adopting an annual budget, holding an annual meeting, engaging or terminating the executive director, and/or the chapter attorney and assuring that all actions of the association conform to the official bylaws. The Directors shall be responsible for attending all Board meetings. Absence of a Director from 3 Board meetings in a fiscal year is subject to mandatory dismissal.

4. Meetings/Quorum: The Board of Directors shall meet at least 10 times per fiscal year at such time and place as it may determine, to conduct the business and affairs of the Association. It may

hold such additional and special meetings as the President or any three Directors may request. At any meeting of the Board of Directors, there must be seven members present to constitute a quorum. In any emergency situation, as determined by the president, the Board may be polled by to decide a question. Written confirmation of such votes and questions will be mailed to each Director within 7 days and entered into the minutes of the next regular meeting of the Board. If a quorum is not present, a lesser number shall adjourn the meeting to a later day, but not more than 30 days later.

5. Vacancies: Should a vacancy occur on the board of directors because of resignation or termination of a Director or Officer, the vacancy shall be filled by appointment by the President of the association and approved by the Board of Directors. Any director appointed to fill any vacancy shall serve and complete the term of the vacating board member.
6. Compensation: Directors shall not receive compensation for their service to the association.

## ARTICLE V

### Officers

1. Election and Term of Office: The officers of the Association shall be a President, Vice President, Secretary, Treasurer and the Immediate Past President. The President, Vice President, Treasurer and Secretary of the Association shall be elected annually by the board of Directors after the election of the directors. Each elected officer shall hold office for one year. A majority vote of approval by the board of directors allows the President to renew his/her office of President for (1) additional year.
2. Removal/Vacancy: Any officer elected by the Board of Directors may be removed by a majority vote of the Board of Directors. Any vacancy for an office shall be filled by a replacement by a majority vote of the Board of Directors. The replacement officer shall serve for the balance of the term.
3. Duties of the President: The president shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board of Directors. He/She may sign, with the secretary or any other proper officer of the association, authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaw she/she shall perform all duties as may be prescribed by the Board of Directors from time to time.
4. Duties of the Vice President: Immediately following the election of officers, the member elected to become the next president shall assume the office of vice president. The vice-president shall perform such duties as prescribed by the president to prepare for service as the Association's next president. The vice-president shall make every effort to attend the leadership conference at national ASA. The vice president shall also be responsible to plan, organize and

chair the annual summer planning meeting of Board of Directors. In addition, the vice-president shall be a member of the nominating committee for positions on the Board of Directors.

In the absence of the president or in event of his inability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice president shall perform such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors.

5. Duties of the Secretary: The secretary shall be responsible for maintaining a complete roll of the names and addresses of the Board of Directors and members of the Association. He/she shall take and keep minutes accurately reflecting the proceedings of all meetings of the association. He/she shall see that all notices are duly given in accordance with the provisions of these bylaws or as required by law. He/she shall be custodian of the corporate records and of the seal of the association and see that the seal of the association is affixed to all documents requiring the association's seal and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors. The secretary may under the authority of the Board of Directors delegate the performance of routine or administrative duties to the executive director.

6. Duties of the Treasurer: The treasurer shall have the responsibility of keeping and maintaining all funds and securities of the Association subject to the direction and control of the Board of Directors. He/she shall have the responsibility of keeping a correct and accurate account of all monies received and disbursed and of the financial condition of the Association, and shall in general, perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors. Under the authority of the Board of Directors, he/she may delegate the performance of routine or administrative duties to the executive director.

7. Ex Officio: Executive Director: The Executive Committee may employ an executive director whose terms and conditions of employment shall be recommended by the Executive Committee to the Board of Directors.

The Executive Director shall perform and discharge all duties prescribed by the Executive Committee and the Board of Directors. The Executive Director shall employ all staff members and direct the activities of such staff. The Executive Director shall be responsible to the Board of Directors and the Executive Committee.

8. Ex Officio: Chapter Attorney: The Chapter Attorney shall have the primary responsibility of reviewing all Association activities of the Chapter, its officers, Board of Directors, members and staff to insure compliance with the provisions of these bylaws and all applicable laws and regulations. The chapter attorney shall work closely with the officers, Board of Directors and executive director to assist them in the performance of their duties and to provide counsel to them.

## ARTICLE VI

### Committees

1. Standing Committees: The Association shall have the following Standing Committees:

- Executive Committee
- Finance Committee

2. Executive Committee: The Executive Committee shall consist of the five officers. The Executive Director shall serve as an Ex-officio member and shall have no vote. The Executive Committee shall act on all issues referred to it by the president. The president shall be the chairman of the Executive Committee.

3. Finance Committee. The President shall appoint at least four members in good standing to a Finance Committee. The Finance Committee shall be responsible for monitoring the financial affairs and assuring the financial integrity of the Association. Specifically, the Finance Committee shall be responsible for: preparing an annual operating budget and an annual capital budget for approval by the Board of Directors;

- reviewing and recommending financial policies to the Board of Directors; monitoring significant controls and corrections of reportable conditions in a timely manner;
- recommending to the Board of Directors any other actions necessary to assure the financial integrity of the Association.
- The Treasurer shall serve as the chair of the Finance Committee.

4. Appointments: The president may create and dissolve such other committees as he/she may deem necessary providing the strategic plan is taken into consideration. The president shall appoint all committee chairmen and submit to the board of directors for a majority vote of approval. The president shall approve the selection of all committee members made by the committee chairmen.

5. General Committee Procedure: All committees shall perform their designated responsibilities as indicated and within the time frame designated. All committees shall report their findings, recommendation, etc. to the Board of Directors for enactment.

The chairman of each committee shall attend all meetings of the committee to which he is appointed and shall interpret and present the Board's policy to the committee. The Chairman shall report to the Board of Directors all actions and discussions of the Committee and keep the Board of Directors advised of all developments.

## ARTICLE VII

### Association Meetings

1. Annual Meeting: The annual meeting of the Association shall be held each year at such place and time as the Board of Directors shall designate.
2. Regular Membership Meetings: The regular meetings of the Association shall be held at such time and place as may be designated by the Board of Directors.
3. Special Membership Meetings: Special membership meetings may be called at any time by the president, by a majority vote of the Board of Directors or by the secretary upon the written request of any 10 members. Special membership meetings will be held at a time and place determined by the president.
4. Business Practice Interchange (BPI): BPI shall take place in conjunction with regular membership meetings with the following guidelines: (1) A subcontractor may attend one BPI meeting as a guest and at the responsibility of a ASA/Colorado Subcontractor member. The sole purpose of this privilege is to illustrate to another potential member some of the benefits of membership. (2) All Subcontractor members will sign an attendance sheet and be responsible for recording their guest if any. (3) A subcontractor guest when granted the privilege of a one time attendance will only be allowed to observe and listen to the proceedings and will not be allowed to participate until he/she applied for and been granted membership in the Association. (4) The policies and procedures for the BPI shall be established by the Board of Directors which shall have full authority to revise and modify any policy and procedure from time to time. The Board of Directors shall inform the members of the BPI the policies and procedures.

## ARTICLE VIII

### Finances

1. Fiscal Year: The fiscal year of the Association shall commence January 1 of each year and terminate on December 31 of the same year.
2. Budget: The Board of Directors shall adopt annual operating and capital budgets prior to the next fiscal period.
3. Overview: The Board of Directors shall be responsible for financial overview pursuant to the Financial Policies and Procedures of the Association. An annual report shall be made to the Board of Directors.

## ARTICLE IX

### Amendments, Dissolution

1. Amendments: These bylaws may be amended from time to time subject to approval by the Board of Directors and a majority favorable vote of the members. Notice of amendment must be sent to the membership in writing at least 7 days prior to the vote at which the amendment will be voted upon via phone/fax/email/instant message/mail/in person. The Bylaws shall be subject to mandatory review at least every fifth year.
2. Dissolution: By the two-thirds (2/3) majority vote of the members voting, the Association may be dissolved. In such event, the assets of the Association shall be applied by the Board of Directors, after payment of all obligations to any organization or organization whose purposes and objectives are as near as possible to those of this Association as stated in these bylaws. In no event shall the assets of the association be distributed to or inure to the benefit of any member, chartered chapter or state organization.

## ARTICLE X

### Conflict of Interest

1. Conflict of Interest: The Board of Directors acknowledges that conflicts of interest may occasionally arise and that neither the elimination from the board of all persons who might potentially have any such conflict nor the avoidance of all transactions involving a conflict of interest would necessarily serve the best interests of The American Subcontractors Association of Colorado. Nonetheless, each member of the Board of Directors is encouraged to avoid undisclosed conflicts and to refrain from influencing the board's action on a matter in which such Director may have other interests. It is therefore the policy of the Association to avoid the participation of any Director in the Board of Directors' consideration of a matter that poses a conflict of interest for that Director.
  - A. For these purposes, a conflict of interest shall be deemed to arise whenever a matter under consideration involves a contract, transaction or other financial relationship between the Association and a Director, a Party to a Director, or an entity in which a Director is an officer or Director or has a financial interest.
  - B. Whenever any matter comes before a meeting of the Board of Directors which gives rise to a potential conflict of interest, the affected Directors shall make known the conflict to the remaining Directors present at such meeting, shall, after answering any questions posed by other directors, withdraw from the meeting as long as the matter is under consideration, and shall neither be present nor cast a vote.



- C. The minutes of the meeting that a conflict of interest arises shall reflect that a disclosure was made and the affected Director's withdrawal from the meeting.
- D. As with other matters coming before the Board of Directors, the disinterested Directors shall pass upon a matter that poses a conflict of interest for another Director in a manner which they reasonably and in good faith believe to be in the best interest of the Association.

## ARTICLE XI

### Article XI. Indemnification

1. Action Against Party Because of Association Position: The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the association), by reason of the fact that the representative is or was a director, officer, employee, or agent of the Association, against expenses (including attorney fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the representative in connection with such claim, action, suit or proceeding if the representative acted in good faith and in a manner the representative reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe the representative's conduct unlawful. The termination of any claim, action, suit or plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the representative reasonably believed to be in or not opposed to the best interests of the Association and with respect to any criminal action or proceeding, had reasonable cause to believe that the representative's conduct was unlawful.

2. Action By or in the Right of Association: The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed claim, action, or suit by or in the right of the Association to procure a judgment in its favor by reason of the Association, against expenses (including attorney fees) actually and reasonably incurred by the representative in connection with the defense or settlement of such claim, action, or suit if the representative acted in good faith and in a manner the representative reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the representative's duty to the Association unless and only to the extent that the court in which such claim, action, or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the cases, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

3. Authorization: Any indemnification under 1 or 2 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because the

representative has met the applicable standard of conduct set forth in 1 or 2 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so determined by independent legal counsel in a written opinion, or (c) by the members of the Association.

5. Indemnification Not Exclusive: The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, rule of law, provision or certificate of incorporation, bylaw, agreement, vote of members or disinterested directors, or otherwise, both as to action in the representative's official capacity and action as to continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person. Where such other provision provides broader rights of indemnification than these bylaws, said other provision shall control.

6. Insurance: The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, against any liability asserted against that person and incurred that person in any such capacity, or arising out of the representative's status as such, whether or not the Association should have the power to indemnify the representative against such liability under the provisions of this Article.