



# **SBCA CHAPTER PROCEDURES FOR STARTUP AND OPERATION**



**Structural Building Components Association**

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# **SBCA Chapter Procedures For Startup and Operation**

## **SBCA's Purpose**

SBCA's membership includes firms and individuals committed to the promotion, expansion and protection of the structural building components industry. For this industry to be successful, it must be promoted on the national level, as well as on state and local levels.

SBCA was created to serve you—its membership. We can best do this by having good communication with our members, and chapters are the best vehicle for this. It is our desire to help our chapters be very successful. If we accomplish this our industry will also be very successful.

## **The Purpose Behind Chapters**

SBCA is encouraging groups within reasonable geographic areas to form local chapters of the association, so that a unified effort can be made to fulfill our mission. The local chapters are able to address issues important to their particular area, thereby enhancing and advancing the entire structural building components industry. This can be achieved with the assistance of SBCA by continuing to develop industry standards, addressing national issues such as fire performance, addressing political issues, both locally and nationally, developing educational and training materials for industry customers as well as industry employees, and by acting as the unifying force for all of these in the industry.

SBCA chapters play a key role in the future of the structural building components industry. For an industry to be successful, it must have full participation of all of its members. Local chapters provide the opportunity for all those associated with the industry to actively participate and shape its future. From the sharing of ideas at the local level to bringing these ideas together at the national level, members serve as the catalyst for a strong, unified, prosperous industry.

The Board of Directors of SBCA is structured so that chapter has representation. This ensures that the needs of all the local chapters are heard, and that the focus and direction of SBCA accurately reflects the majority of the industry. Through board representatives, all members of local chapters are kept informed and are able to participate in the functions of the our industry. Most importantly, an active association helps each member be more successful.

## Benefits of Chapter Membership

One goal of SBCA is to help local manufacturers be more successful in their businesses by acting collectively with their competitors on issues of common industry concern. A group of people working together to promote a common interest will create results more effectively than individuals working separately toward the same end, since there is no duplication of effort. Also, a unified group has more clout than individuals acting alone. Some examples of goals more easily achieved by a chapter than by individual companies are:

**Education & Marketing:** Since the association is viewed as an independent entity with no proprietary interest and no strong product sales bias, it is easier to:

- Provide education on the features and benefits of truss construction to contractors, architects and engineers and, simultaneously, expand the market for the use of our products.

- Educate local building officials in the features and benefits of trusses, and their proper use.

- Educate fire officials about the truss industry, especially on the fire performance of trusses.

- Prepare promotional material for all truss manufacturers to use. We can provide promotional materials with a consistent message to the marketplace at a reasonable cost to produce.

- Work with local technical schools to provide educational materials.

- Educating *yourselves* in a variety of topics. See **Suggested Program Topics** on page 10 for more information.

**Legislation:** We can limit the amount of national legislation that is adverse to the structural building components industry and/or small business interests by meeting with the staff of the local congressional offices of your Representatives and Senators, or with the Representatives and Senators themselves when they are in their home state. We can influence the way OSHA, the Department of Labor, EPA, etc. impact our industry.

The same applies to state government. Usually there are key state legislators with whom we can meet. Doing this our industry has a higher profile within state government, which allows us to more easily learn about adverse legislation and have a means to influence it. At the state level we can influence agencies like DOT, Department of Labor, etc.

It is also important to stay abreast of local ordinances and building code changes that are adverse to the truss industry. These changes are often the most difficult track, and can greatly restrict the use of our products. Once local ordinance and building code changes are implemented, they are very hard to remove. Chapters have the opportunity to meet with key groups in their state to build alliances instead of adversarial relationships through the development and maintenance of good lines of communication. The more we find out about adverse local actions, the more we can work on resolving issues during the development phase rather than after implementation.

With a successful association, all members will be more prosperous than if the chapter were not formed.

## **Forming an SBCA Chapter**

### **Procedures for Chapter Creation**

Any group of component manufacturers (CM) in an area not included in a current SBCA chapter can submit a request to form a chapter. There is no minimum number of CM companies required to start a chapter. Upon deciding to become an SBCA chapter, the following should be sent to SBCA:

Chapter bylaws

List of officers

Dues structure

List of members

Description of the geographic area the chapter covers

A listing of members must be submitted (preferably in electronic format) to staff and should include:

Company name (corporate and d.b.a., if applicable)

Addresses of all locations (mail and physical, if applicable)

Representative (prefix, first, initial, last, suffix), title

Membership type (regular, associate, etc.)

Business Type

Phone

Fax

Email

Web address

Upon review of compliance with chapter organization procedures by its Board of Directors, SBCA will grant chapter status for the stated geographical area. Upon receiving chapter status, the chapter will elect a representative of the chapter to attend SBCA Board and Committee meetings. SBCA Board and Committee meetings are open to any chapter members who want to attend and participate in SBCA activities.

### **Two Routes to Forming an SBCA Chapter**

There are two ways to form an SBCA chapter:

A pre-existing association can become a chapter

A new local organization can be formed

### ***Pre-Existing Association Becoming a Chapter***

An organization that existed apart from SBCA may become a chapter of SBCA as long as all CM members of the chapter become members of SBCA. The only exception to this is for local associations that were in existence as of October 22, 1994; in this case, component manufacturers may continue to remain chapter members without joining SBCA for three years after the association becomes an SBCA chapter. After this three-year period, chapter members must join SBCA.

Members of SBCA are not required to be members of a chapter in their area; however, SBCA encourages national members in a chapter area to join the chapter.

### ***Forming New Local Organization***

SBCA assists individuals or companies in forming a chapter in areas where there is currently no chapter or local association. The following guidelines will assist in this effort:

**Initial Contact:** Those wishing to begin a chapter should contact as many individuals or companies as possible who would be interested in promoting the structural building components industry in their area (this list can be obtained from SBCA). This establishes the interest and feasibility of starting a chapter. Generally, those contacted are truss manufacturers or associated companies within the geographic area the chapter would serve. It is recommended that you consider a state-wide association, or at least an area that would have a minimum potential of thirty manufacturer members. Since all manufacturers may not wish to participate, it would be necessary to have enough members to accomplish your goals and objectives within the geographic area.

**Committee Creation:** After contacting these manufacturers and assessing their levels of interest, set up a committee of four to six of the most interested people who are willing to invest time and effort to work on the start-up of the organization.

**Defining Purpose & Goals:** The committee can then meet as a group and begin the preliminary strategic planning of the purpose of the chapter and goals it wishes to accomplish. Having at least a preliminary purpose and set of goals defined increases the interest and participation of the manufacturers in the area, as individuals are motivated by seeing the benefits they will enjoy. It is recommended that the purpose of the chapter be similar to that of SBCA, and be divided into two areas:

**Promoting the structural building components industry.** Examples include education of consumers, architects, engineers, builders, etc., regarding the attributes of trusses; improved construction quality through using trusses; or providing seminars to framers and erectors on the proper handling, erection, and bracing methods.

**Promoting and protecting the business interests of those in the structural building components industry.** This might include involvement with government regulatory agencies, such as model building code agencies, inspection departments, OSHA, EPA, DOT, etc.; establishing standard practices for members; and providing educational seminars for members.

In order to assist you, a copy of the SBCA bylaws, sample chapter bylaws, and sample chapter articles of incorporation are attached. Each of these has a section stating the purposes of the association.

**Set the First Meeting:** After drafting the preliminary purposes for the local association, establish a date for the first meeting. It is suggested the initial organizing committee send notices of the meeting to every manufacturer in the chapter area, explaining the need for the association, and describing the preliminary purpose and goals. Staff is here to assist you in preparing and distributing the meeting notice. Staff will also send you a list of manufacturers on file in your area, which you should review and update. You should also plan to call all manufacturers and encourage them to come and participate in the association.

**First Meeting/Committee Creation/Getting Members:** At the first meeting, discuss the need for a chapter in the area, as well as the benefits companies will enjoy by being an active member. Spend time revisiting the preliminary purpose and goals defined by the committee, and get input from those present for changes or additions based on their concerns. Define the objectives that will assist you in reaching your goals, and set up committees to work on these objectives. It is important that the chapter address and respond to members' needs, and encourage members to participate. It is not necessary to have bylaws, or to be recognized by the IRS, before doing this preliminary work. Quickly getting the members involved and working will instill more interest and involvement of the potential members.

**Bylaws/Incorporation:** Create a committee within the organization to write association bylaws and incorporate as a not-for-profit corporation under the appropriate state laws. It is recommended that SBCA legal counsel or a local attorney be solicited to help with incorporation, and guide the association in legal matters. It may be possible to find an attorney—possibly one who deals in corporate and/or construction law—who might be interested in representing the association at little or no fee in return for the exposure. The process for filing for incorporation will vary from state to state.

The bylaws of the association need not be complicated. The attached bylaws of SBCA and sample chapter bylaws may be used as a guide. Include in your wording that in order for the association to become a chapter of SBCA, all component manufacturer chapter members must be members of SBCA.

Other recommended topics for discussion at the first meeting are as follows:

**Meetings** - In the chapter's area, meetings may be needed once a month until the association is established. After that, specific meeting dates can be set up — quarterly, or as members decide.

**Location of Meetings** - Meetings may either be moved from one part of the geographic area to another, or stay in one location.

**Agenda** - Meetings may be working sessions of committees, socials with lunch and/or dinner, educational formats with speakers, a combination of these, etc. Keep in mind that a well-facilitated meeting with a clear agenda helps create the most results.

**Time of Day** - Meetings may be held during the day, evening, etc.

**Dues** - Project what the expenses for the chapter will be. Then decide whether there will be initiation dues, yearly dues, etc., appropriate to these expenses. Decide what the dues levels will be for regular members (manufacturing companies), associate members (supplier companies) and professional members (individuals not actively connected with a company in

the other two categories). (It is also recommended that associate dues not exceed regular member dues.) SBCA will invoice new members if the chapter desires (for both the chapter and SBCA, and forward chapter dues to the chapter. This protects the financial information of each company. See **Procedures for Chapter Treasurer** below.

**Organization** - The bylaws state how the association is organized and operates. Much of the wording will probably be similar to the sample attached, but there are usually issues particular to each group that will require discussion, such as membership and the makeup of the local Board of Directors.

**Membership** - Type of memberships to be offered, such as regular, associate, professional, academic, etc.

**Board of Directors** - How many individuals should serve on the board, how many representatives from each area, length of service, terms in office to be staggered, etc. Is the representative on the SBCA Board elected, appointed, or does a particular officer on the local board automatically fill this role?

### **IRS Requirements/Compliance**

SBCA chapters should have little difficulty gaining a tax exempt status under the provisions of Section 501(c)(6) of the IRS code covering non-profit business leagues, which are defined as an association of persons having some common business interest, the purpose of which is to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit.

It is unlikely that the chapter will be recognized for exemption under Section 501(c)(3) of the IRS Code, which covers charitable, religious, educational, scientific and literary organizations. To qualify, the chapter would have to develop the case for exemption under the provisions of an educational organization. Few professional organizations in the past have been able to do so.

### ***Procedures for Obtaining IRS Recognition of Tax Exempt Status***

1. The SBCA is a Corporation duly organized and existing under the General Not-For-Profit Corporation Act of the State of Illinois.
2. SBCA has been recognized as a tax exempt organization under Section 501(c)(6) of the Internal Revenue Code of 1986. *The exemption is not established on a group basis, and therefore does not cover chapters.*
3. Each chapter must have its own identification number, even if it has no employees. To obtain an identification number, each chapter must submit a completed IRS Form SS-4 to its regional IRS office. In turn, the IRS advises the potential chapter of its identification number.
4. Chapter application for IRS recognition of tax exempt status is to be filed on IRS Form 1024 *Application for Recognition of Exemption Under Section 501(a)* (for 501(c)(6) status). Appendix B of Form 1024, and IRS form SS-4 must be filed with the District Director for the key IRS district in which the chapter is located.
5. A chapter *may* be required to file an annual information return, IRS form 990 (*Return of Organization Exempt from Income Tax*).

IRS Publication 557, *Tax Exempt Status for your Organization*, contains a great deal of valuable information on getting tax exempt status for organizations. This publication, as well as Form 1024, can be obtained in the following ways:

Online: [http://www.irs.ustreas.gov/forms\\_pubs/pubs.html](http://www.irs.ustreas.gov/forms_pubs/pubs.html)

Telephone: 1-800/TAX-FORM

Fax: 703/487-4160 (call 703/487-4608 with any problems)

### **Acceptance by SBCA**

Upon acceptance of the chapter application by the SBCA Board of Directors, SBCA will recognize and welcome the new chapter. A chapter plaque will be presented at the annual meeting held at the Building Component Manufacturers Conference.

### **Insurance**

SBCA carries liability insurance for its staff, officers and directors. Local chapters are responsible for obtaining their own insurance, but they are encouraged to ask for inclusion on the SBCA directors and officers insurance.

### **Chapter Startup Checklist**

- Send the following to SBCA:

- Chapter Bylaws

- List of Officers

- Dues Structure

- Definition of geographic area

- List of Members including:

- Company name

- Representative, title

- Address Physical and Mailing

- Telephone, fax

- Nature of business/type of membership

- Email

- Web Address

- File to tax exempt status under Section 501(c)(6) of the IRS Code.

- Obtain insurance.

Attached: SBCA Bylaws

- Sample Chapter Bylaws

- Sample Articles of Incorporation

## Interaction with SBCA

This section outlines the procedures that SBCA follows with chapters to maintain their efficient operation, as well as keeping communications both ways up to date. These are broken down into chapter benefits, procedures for chapter secretary, and procedures for chapter treasurer.

### Chapter Benefits

The single greatest benefit is that SBCA staff wants to help you, in any way that we can, to be the most successful group that you can be. We are here to serve your needs. There are several ways that chapters can interact with and get support from SBCA:

**Education:** SBCA would like to help plan and coordinate educational programs. Staff is willing to travel to chapters to provide educational seminars when time and budgets permit, and we will also assist with “train the trainer” seminars to provide chapter members with the tools to assist them in providing programs themselves. We can then assist the chapter in creating flyers and seminar promotion in local areas.

**Political Issues:** We have found that the most important voice in Congress is the local voice. Chapters can best limit legislation that could be adverse to the structural building components industry by meeting with their Representatives and Senators in their state. Each Congressional Representative has a local office. Staff is able to assist chapters in setting up a meeting with the Representative or Senator, or one of their key staff people, so that we can have a voice on key legislative issues. The same is true for meetings with State legislators.

It is also important to stay abreast of local ordinances and building code changes that could be adverse to the structural building components industry; the chapter has a better opportunity to influence the process. SBCA cannot keep up with all local issues, yet we are very willing to provide support when a problem occurs. Many issues have similarities to those we have dealt with in other areas of the country. At times, SBCA can lend added credibility to a local chapter’s efforts on an issue.

**Programs:** We have created programs to expand the knowledge resources of our business. This includes our Risk Management Seminars, Truss Technician Training, Truss Technology Workshops, etc. It is our desire to assist the chapter in effective use of these programs so our entire industry gets stronger, which follows our belief that “knowledge is power.”

SBCA’s quality control program, In-Plant SBCA QC, has been found to be an excellent training tool for your manufacturing personnel. You can also use it to promote your plant’s quality performance to your customers.

**Communication:** SBCA will communicate with chapters on an ongoing basis through correspondence and personal contacts. Chapter Focus, a monthly fax/email newsletter, is another vehicle for sharing information between and within Chapters. Many issues can be best addressed collectively, and chapters are an excellent mechanism for SBCA to communicate with members. Furthermore, our goal is to attend one chapter meeting per quarter for each of our chapters.

**Building Component Manufacturers Conference (BCMC):** Chapters may meet at the BCMC, as well as become more involved in the conference itself.

**Support SBCA Activities:** SBCA will use the membership list supplied by the chapter for membership development and conference promotions. SBCA can also supply chapters with periodic listings of SBCA members in a particular area.

**Structural Building Components Magazine:** SBCA chapters place announcements and other related information in the *Chapter Corner* section of the magazine. This forum allows chapters to publicize what they are involved with in their local markets as well as announce meeting dates and other events. In addition, there is a *Chapter Spotlight* article that highlights the achievements of a particular chapter or group of chapters.

**www.sbcindustry.com:** Each chapter has a page on the SBCA web site. Useful for sharing information, we will post chapter newsletters and other items of interest.

**Logos:** Chapters may use the SBCA logo on chapter stationery, etc. Staff can also assist you in designing a chapter logo.

### Procedures for the Chapter Secretary

This document assumes that chapter secretaries have as their responsibilities those shown below. If this is not the case, then please coordinate responsibility for these tasks with the appropriate individual(s), and let us know who will be accomplishing them:

Maintain database of active members

Maintain copies of meeting minutes

Maintain other pertinent chapter documents, e.g., bylaws, articles of incorporation, etc.

Please be sure each of the following tasks is completed, whether they are one-time such as the first few, or ongoing tasks, such as the latter. The more information we have, the better we can help promote your events and chapter:

- File copy of your bylaws with SBCA.
- File copy of your articles of incorporation with SBCA.
- Ensure SBCA has a current roster of your members, including:
  - Company name (corporate and d.b.a., if applicable)
  - Address of all locations (mail and physical, if applicable)
  - Representative (prefix, first, initial, last, suffix), title
  - Membership type
  - Business Type
  - Phone
  - Fax
  - Email
  - Web address
- Schedule of meetings and events throughout the year.
- Copies of all meeting minutes.

This last task is probably the most forgotten and may be one of the most important. The more aware we are of the pertinent issues your chapter faces, the more support we can give you.

### **Procedures for Chapter Treasurer**

This document assumes that chapter treasurers have as their responsibilities those shown below. If this is not the case, please coordinate responsibility for these tasks with the appropriate individual(s):

Maintain financial records of chapter, including amounts of chapter dues paid by chapter members.

For several years, SBCA has successfully and efficiently invoiced for chapter dues while invoicing for national dues, including chapter members who are not national members. Here are the procedures and the timeline if we invoice for your chapter:

April 10: If SBCA has not received a list of chapter members, all information for each member as discussed in the previous section is due by this date. If SBCA already has a list of a chapter's members, we will send out a list of members on or about this date to be proofed by chapter treasurers. SBCA will also need to know the dues amounts for each membership type.

April 20: Proofed membership lists are due back to SBCA.

May 15: SBCA mails dues invoices for the following year.

June 30: Due date for dues payments.

15<sup>th</sup> of each month: Each month SBCA creates a report of dues received for each chapter, and sends this list with payment to chapter treasurers. If chapter dues are paid to us by separate check, these checks are simply signed over to the chapter. If chapter dues are combined with national dues, SBCA cuts a check and delineates what amounts were paid by what companies, and date.

Chapters must let SBCA know how they wish to handle companies who do not pay dues in a previous year. You can choose whether to bring past due balances forward. Chapters also specify if they would like dues pro-rated throughout the year.

We hope this document clearly outlines the procedures we will use to help you accomplish your goals. If you have any questions or concerns, please let us know.

## **Chapter Administration**

### **Suggested Program Topics/Activities**

One valuable function of a thriving chapter is the educational programs that can be given to chapter members, and activities the chapter can undertake. Shown below is a list of suggested topics. Please let us know of others you would like to see on this list, which will benefit other chapters!

## Legislative Issues

Work with staff on issues that the Legislative Committee is addressing  
Set up meetings with State & Local legislators

## Fire Issues

Schedule plant tours for the local fire service  
Distribute Carbeck CDs  
Develop mailing list of training groups and plan seminars  
Get on Fire Official Organization's Speaking Schedule

## Field Trips/Plant Tours

Tour members' component manufacturing facilities  
Organize lumber/panel plant mill tours  
Tour supplier plants

## Supplier Presentations

Lumber  
Plates  
Hangers  
I-joists

## Guest Speakers or Roundtable Meetings

Architects/Engineers  
Builders  
Building Officials

## SBCA programs available to chapters/individual companies

In-Plant SBCA QC  
Operation Safety  
TTT  
CTW  
ORisk

## Seminars

Risk Management  
Safety  
Workers' Comp

## Marketing/Education

Develop mailing lists for all groups for Truss Technology workshops  
Builders  
Building Officials  
Architects/Engineers  
Fire Performance (for fire officials)  
Local Region Chapter Marketing campaigns

## Component Technology Workshops

## Job Costing/other accounting issues

Plate supplier business programs  
Bar coding  
Time and motion management  
Set-up management  
Truss Plant flow Management

## Shipping

State Regulations  
Presentation by DOT  
Trailer Company New Product Presentations

## Chapter Planning

Need good databases of contacts  
Sketch out the plan for chapter educational programs  
Sketch out plan for trade shows for the chapter to attend  
Plan for submission to get on speaker list for local organizations like CSI, AIA, ASCE, Building Official Groups, Builders Association, etc.

## Review Local Projects for Images to enhance Industry Educational Programs

Tour Local Truss and Stick-Frame Projects and Critique—How can the industry do things better for the builders.

## Industry Management

Work with SBCA and Chapters on: Standard Bid Form & Standard Checklist to use for Bids.

Considering day-to-day operations, what other areas do you wish as a manager everyone did the same way to lessen confusion in the market place? Develop a standard industry approach for items like this.

Staff Leasing  
 Workers' Comp  
 Credit Insurance  
 General Liability  
 Reducing Insurance Costs  
 Safety Planning OSHA

Insurance Issues

### **Chapter Administration by SBCA**

Many chapters do not have administrative support staff, so chapter members are required to perform administrative tasks on a volunteer basis. In instances where chapters would like assistance with these functions, SBCA staff can provide administrative support such as arranging speakers for meetings, working with hotels, creating agendas, sending out meeting notices, handling accounting and the chapter checkbook, etc. Staff also assists chapters in creating and maintaining web sites. Chapters only pay for the amount of staff time (plus expenses) that is spent on administration. Though SBCA invoices on a quarterly basis to cover on-going expenses, there is a year-end reconciliation whereby any unused funds are credited to the chapter or any deficits are invoiced. The rates SBCA uses are set annually and were lowered in 2004. The rates are:

- Two Meetings per year: \$200 per quarter,
- Three Meetings per year: \$350 per quarter,
- Four Meetings per year: \$500 per quarter.

Chapters decide which of the typical administrative services they would like handled by staff and if they would like any additional services not mentioned in the list above.

### **Annual Workshop & Conference (formerly Chapter Summits)**

SBCA will set up an Annual Workshop & Conference (formerly Chapter Summit). The purpose of the workshop is to discuss hot topics and set priorities as well as provide a forum for chapter members to communicate with staff and other chapters specifically about chapter issues. The workshops allow different chapters to share ideas and learn from each other's experiences. In 2009 and 2010, the Workshop was held as a series of online meetings via ***SBC Connection*** which allowed participants to attend the online meetings without having to travel to a central location.

**APPENDIX A****BYLAWS  
OF  
[SBCA – xxx]****I.  
PURPOSES**

The purposes of the Association as stated in the Articles of Incorporation are to advance the interest of its members by promoting and providing for the welfare of the regional structural building components industry, including but not limited to, analyzing and informing the members of conditions affecting or which may affect the industry, informing members of improved operating methods and procedures, conducting education and research activities, technical education, formulating or assisting in the formulation of tests and test methods for industry products, representing the industry in contacts and relations with other organizations, the government and the public, and in general, engaging in all lawful activities which will enhance the technical and economic progress of the industry.

**II.  
MEMBERS**

**SECTION 1. CLASSES OF MEMBERS.** The Association shall have four classes of members. The designation of such classes and the qualifications of the members of such classes shall be as follows:

- A. **Regular Members:** Any person or business entity with permanent facilities for the manufacture and sale of structural building components in [this state], or doing business in [this state], shall be eligible for membership as a Regular Member. All Regular Members must be members in good standing of the Structural Building Components Association (SBCA).
- B. **Associate Members:** Any person or business entity with a legitimate interest in the purposes of the Association shall be eligible for membership as an Associate Member. Associate Members shall have no voting rights, but their representatives shall be entitled to attend membership meetings, shall be eligible for appointment to committees, including the chairmanship thereof, and may vote at committee meetings.
- C. **Professional Members:** Any individual, not actively connected with the business of a firm, partnership or corporation which is eligible for membership as a Regular Member or an Associate Member, who has professional qualifications pertaining to trusses, wall panels and subcomponents, and interested in furthering the purposes of the Association, may be eligible for membership as a Professional Member. Professional Members shall have no voting rights, but their representatives shall be entitled to attend membership meetings, shall be eligible for appointment to committees, including the chairmanship thereof, and may vote at committee meetings.

**D. Honorary Members:** A Honorary Member must be an individual and not an organization, and will not include any Regular Member or Associate Member, and shall be selected following the vote of the majority of the Board of Directors at a regularly scheduled meeting

Only Regular Members shall have voting rights as members. Associate and Professional Members shall have no voting rights, but their representatives if such member is a company, or individually, shall: (1) be entitled to attend Association meetings; (2) be eligible for appointment to committees of the Association as a voting committee member, including the chairmanship thereof; (3) be eligible for appointment to the Board of Directors as a voting Board member; and (4) have such other rights and privileges as may be designated by the Board of Directors.

**SECTION 2. APPLICATION FOR MEMBERSHIP.** Those individuals, firms, partnerships, or corporations which may from time to time seek membership in the Association shall apply therefor to the Association in writing, which application shall state the name, location and nature of the business of the applicant and shall contain an agreement that if admitted to membership the applicant will observe all provisions of the Association's articles of incorporation and its bylaws and will pay all applicable dues and assessments. Applications for membership shall be referred to the Board of Directors. If the Board of Directors finds an applicant to be qualified for membership, such applicant shall be admitted to membership as a member of the appropriate class. An individual, firm, partnership or corporation which is eligible to apply for more than one class of membership shall apply for the class of membership for which it is eligible which has highest dues. In the event a member becomes eligible for a class of membership which has lower or higher dues than the class to which such member then belongs, such membership shall terminate at the end of the then current fiscal year, and such member shall be required to reapply for membership as a member of the class for which it is eligible which has the appropriate dues.

**SECTION 3. TERMINATION OF MEMBERSHIP.** Membership shall terminate automatically upon the resignation, death or dissolution of a member. In addition, the Board of Directors, by majority vote may suspend or expel a member for cause after an appropriate hearing, and may, by majority vote of those present at any regularly constituted meeting, terminate the membership of a member who becomes ineligible for membership, or suspend or expel a member who shall be in default in payment of dues for the period fixed in Article XI of these Bylaws, or shall fail to comply with these Bylaws or with any reasonable regulation or rule established by the Board of Directors.

**SECTION 4. RESIGNATION.** Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges therefore accrued and unpaid.

**SECTION 5. REINSTATEMENT.** Upon written request signed by a former member and filed with the Secretary, the Board of Directors may, by affirmative majority vote of the members thereof, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

**SECTION 6. TRANSFER OF MEMBERSHIP.** Membership in the Association is not transferable or assignable.

### **III. MEETINGS OF MEMBERS**

**SECTION 1. ANNUAL MEETING.** The annual meeting of the Association shall be held at a time and place to be determined each year by resolution of the Board of Directors.

**SECTION 2. SPECIAL MEETINGS.** Special meetings may be called by the President, by the Board of Directors, or by not less than one-third (1/3) of the members qualified to vote.

**SECTION 3. NOTICE.** Written notice stating the place, day, and the hour of any meeting and, in the case of a special meeting, the purpose or purposes of the meeting shall be delivered no less than 5 nor more than 60 days before the date of the meeting, or in the case of the removal of one of the directors, a merger, consolidation, dissolution or sale, lease, or exchange of assets, not less than 20 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at the member's address as it appears in the records of the corporation with postage paid thereon.

**SECTION 4. QUORUM AND VOTING.** The members holding one half (1/2) of the votes, which may be cast at any meeting, or being actually present, shall constitute a quorum at such meeting. If a quorum is not present at any meeting, a majority of the members who are present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

### **IV. BOARD OF DIRECTORS**

**SECTION 1. GENERAL POWERS.** The business and affairs of the Association shall be managed by its Board of Directors.

**SECTION 2. NUMBER AND TENURE.** The Board of Directors shall consist of the four (4) officers and one (1) or more members elected at large. The term for each is two (2) years (except that at the discretion of the Board of Directors such terms may from time to time be staggered for one or two year terms).

**SECTION 3. EXECUTIVE COMMITTEE.** If at such time the Board of Directors becomes too large to handle the affairs of the Association in an efficient and timely fashion, an Executive Committee may be established. The Executive Committee will consist of a minimum of three (3) officers and directors, and it will serve at the pleasure of the Board.

**SECTION 4. ATTENDANCE AT MEETINGS.** Any director unable to attend a meeting of the Board of Directors shall so notify the President in writing prior to such meeting, stating the reason therefor. In the event a director fails to attend two regular meetings of the Board of Directors within

one year, for reasons which the Board of Directors has failed to declare to be sufficient, or in the absence of written explanation, the remainder of the Board, may by resolution, declare such director's resignation shall be deemed to have been tendered and accepted.

**SECTION 5. REGULAR MEETINGS.** The Board of Directors may provide by resolution the time and place for the holding of regular meetings of the Board without notice other than such resolution.

**SECTION 6. SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

**SECTION 7. NOTICE OF SPECIAL MEETINGS.** Written notice of any special meeting of the Board of Directors shall be given at least ten days previously thereto to each director at his address shown on the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage paid thereon. Confirmation of notice by facsimile, telegraph or email shall be considered effective notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board needs to be specified in the notice or any waiver of notice of such meeting, unless specifically required by law or by these Bylaws. Meetings of the Board of Directors may be held by telephone conference call wherein all participants can hear every other participant.

**SECTION 8. QUORUM.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

**SECTION 9. MANNER OF ACTING.** The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these Bylaws, or the Articles of Incorporation. Proxy voting shall not be permitted.

**SECTION 10. COMPENSATION AND QUALIFICATIONS.** Directors shall be Members. Directors shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for each regular or special meeting of the Board, provided that nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving reasonable compensation therefor.

**SECTION 11. VACANCIES.** Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of increase in the number of directors shall be filled by the Board of Directors unless the Articles of Incorporation, a statute, or these Bylaws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**SECTION 12. RESIGNATION AND REMOVAL.** Any director may resign at any time by written tender at any meeting of the Board, or by giving written notice to the Secretary of the corporation.

Such resignation shall be effective when tendered, and the acceptance of such resignation shall not be necessary to make it effective. In addition, a director may be removed with or without cause at a meeting of the members by vote of two-thirds (2/3) of the members entitled to vote. No director shall be removed at a meeting of members unless the written notice of such meeting is delivered to all members entitled to vote on removal of directors. Such notice shall state that a purpose of the meeting is to vote upon the removal of one or more directors named in the notice.

**SECTION 13. DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ALL DIRECTORS.** All Directors shall meet certain standards of conduct and attention to his/her responsibilities to the Chapter and the Structural Building Components Association (SBCA) including:

- A. Exercising due care in all dealings with the Chapter and SBCA and their respective interests. This includes careful oversight of financial matters and reading of minutes and Chapter and SBCA policies, attention to issues that are of concern to the Chapter and SBCA, and raising questions whenever there is something that seems unclear or questionable;
- B. Avoiding conflicts of interest, including the appearance of conflicts of interest. This includes personal conflicts of interest or conflicts with other organizations with which a Director is a member. The Chapter recognizes however that associate member representatives may find themselves at times in a position where their interests are not perfectly aligned with component manufacturer representative Directors and in those instances such associate member representative Directors shall clearly identify areas of potential conflict of interest prior to taking action with respect to the Chapter in their positions as Directors; and;
- C. Obedience to the Chapter's and SBCA's central purposes must guide all decisions. Directors must also ensure that the Chapter functions within all legal requirements and its own bylaws and other policies.

Additionally, all component manufacturer representative Directors shall (i) Use reasonable efforts to implement the Chapter and SBCA mission statements; (ii) Contribute to the policy formation process of the Chapter and SBCA by offering opinions, discussion and drafts of new policies or policy modifications; (iii) Use reasonable efforts to develop and strengthen, through the Chapter and SBCA policies, practices, products and services, the structural building components industry; (iv) Assist in the mentoring of SBCA staff through providing industry knowledge; (v) Communicate with and seek the assistance and expertise of SBCA and its staff regarding issues and activities locally and regionally concerning industry matters pertaining to legislation and regulation, building codes, engineering practices and requirements, education/training opportunities, industry risk issues, insurance, or the quality or fire performance of structural building components; and (vi) Report to SBCA on chapter activities, policies, meetings and undertakings.

## V. OFFICERS

**SECTION 1. OFFICERS.** The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board of

Directors. Any two or more offices, except the offices of President and Secretary, may be held at the same time by the same person. **The officers shall be elected by and serve at the pleasure of the Board of Directors.**

**SECTION 2. PRESIDENT.** The President shall be the principal executive officer of the Association. Subject to the direction and control of the Board of Directors, he shall be in charge of the business and affairs of the Association; he shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors; and, in general, he shall discharge all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors. He shall preside at all meetings of the members and of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these Bylaws, he may execute for the Association any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he may accomplish such execution individually or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He may vote all securities which the Association is entitled to vote except to the extent such authority shall be vested in a different officer or agent of the Association by the Board of Directors.

**SECTION 3. VICE PRESIDENT.** The Vice President shall exercise all of the powers and functions of the President when the latter is absent or unable to act, or in case a vacancy exists in the Presidency.

**SECTION 4. SECRETARY.** The Secretary shall record the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records; keep a register of the post office address of each member which shall be furnished to the Secretary by such member, and perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The Secretary may delegate his duties to the extent provided in any resolution passed by the Board of Directors.

**SECTION 5. TREASURER.** The Treasurer shall be the principle accounting and financial officer of the Association. He shall have charge of and be responsible for the maintenance of adequate books of account for the Association; have charge and custody of all funds and securities of the Association, and be responsible therefor, and for the receipt and distribution thereof; and perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer may delegate his duties to the extent provided in any resolution passed by the Board.

**SECTION 6. ELECTION AND TERM OF OFFICE.** The election of the officers shall be ratified by the Regular Members at the annual meeting of Members or through a mail (including U.S. mail, electronic mail or facsimile) ballot. Officers shall take office on the first day of the month following the annual meeting of the Members. Election of an officer shall not of itself create contract rights. The term of office is two years.

**VI.  
ACTION WITHOUT A MEETING**

Any action required to be taken at a meeting of the members or of the Board of Directors, or any action which may be taken at a meeting of the members or of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action to be taken, signed by all of the members entitled to vote with respect to the subject matter thereof, or all of the Directors as the case may be, is filed in the minutes of the proceedings of the members, or of the Board. Such consent shall have the same effect as a unanimous vote.

**VII.  
COMMITTEES**

A majority of the directors may create one or more committees and may appoint directors or such other persons as the Board designated to serve on the committee or committees. Each committee shall have one or more directors and all committee members shall serve at the pleasure of the Board.

**VIII.  
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS**

**SECTION 1. CONTRACTS.** The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

**SECTION 2. CHECKS, DRAFTS, ETC.** All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or other Vice President of the Association.

**SECTION 3. DEPOSITS.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories, as the Board of Directors shall select.

**SECTION 4. GIFTS.** The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general or for any special purpose of the Association.

**IX.  
BOOKS AND RECORDS**

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member entitled to vote, or that member's agent or attorney, for any purpose at any reasonable time.

**X.  
FISCAL YEAR**

The fiscal year of the Association shall be fixed by resolution of the Board of Directors Calendar year.

**XI.  
DUES**

**SECTION 1. ANNUAL DUES.** The Board of Directors shall establish the initiation fee, if any, and the annual dues of members, and the date for payment thereof. The Board of Directors may establish classifications of members for dues purposes and establish different dues for different classes. The Board of Directors may make special arrangements for payment of dues by new members, or by other members, for limited periods of time as in its sole discretion seems justified.

**SECTION 2. ASSESSMENTS.** The Board of Directors may levy special assessments on the same proportionate basis as annual dues by affirmative vote of two thirds of all directors, payable as specified by the directors; provided however, that no special assessment shall be in an amount greater than the annual dues payable by the class or members upon whom any special assessment is levied.

**SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP.** When any member of any class shall be in default in the payment of any dues for a period of three months from the beginning of the period for which such dues became payable, his membership may thereupon be terminated by the Board of Directors on the manner provided in Article II of these Bylaws.

**XII.  
SEAL**

The Association shall not have a seal.

**XIII.  
WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions of the Act, under the Articles of Incorporation, or under these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

**XIV.  
AMENDMENTS**

These Bylaws may be altered, amended or repealed and new or additional bylaws may be adopted by any regular or special meeting of the Board of Directors at which a quorum is present and provided that at least fifteen days' written notice is given of intention to alter, amend or repeal or to adopt new bylaws at such meeting. A copy of the proposed amendment to the bylaws must also be enclosed with the copy of the notice of the meeting.

**XV.  
IDEMNIFICATION**

Any person made a party to or threatened with any civil or administrative action, suite or proceeding by reason of the fact that the person is or was a director or officer of the Association shall be indemnified by the Association against the reasonable expenses, including attorney's fees, actually and reasonably incurred by the person in connection therewith. This obligation of indemnification by the Association shall be construed to afford the persons protected indemnification to the greatest extent now or hereafter allowed by any statutory or common law including subsequent amendments to law which may increase the protection to be afforded such persons. The association shall purchase insurance coverage for the purpose of providing funds adequate for this indemnification.