

AMENDED AND RESTATED
BY-LAWS
OF
ARIZONA TRANSPORTATION BUILDERS ASSOCIATION

Pursuant to the provisions of Article 2, Chapter 33, Title 10, Arizona Revised Statutes, the above Arizona nonprofit corporation hereby adopts the following Bylaws:

ARTICLE I
PURPOSE AND OBJECTIVES

SECTION 1: NAME

The name of this corporation is the **ARIZONA TRANSPORTATION BUILDERS ASSOCIATION**, (hereinafter referred to as the “Association”). The principal office of the Association shall be located at 1842 W. Grant Road, Suite 103, Tucson, Arizona 85745, but meetings of the Board may be held at such places within the State of Arizona, County of Pima, as may be designated by the Board.

SECTION 2: PURPOSE

The purpose of the Association is to educate its members and to preserve and promote the common interests of those in the construction industry who are engaged in the business of infrastructure (“Infrastructure”) construction, which includes, without limitation, the construction of such work as: utility lines; storm and sanitary sewers and drainage; water lines; irrigation and flood control projects; roads and streets; dams; airports and railways; and highways and bridges, whether any such work is a part of public or private projects.

SECTION 3: OBJECTIVES

The Association may pursue and promote the following objectives (“Objectives”):

- a) To define, establish and preserve the identity and the common interests of those engaged in the Infrastructure industry.
- b) To promote better relations between contractors, governmental agencies, utility companies, construction vendors, labor, professional engineers/consulting firms and the public at large.
- c) To provide safety training to the work forces of Members of the Association and to foster, encourage and maintain safety standards in the conduct of work.
- d) To coordinate information relative to those engaged in the business of the Infrastructure construction industry.

- e) To represent the common interests of Contractor Members at hearings, meetings, and conferences held by legislative and other public administrative bodies on such national, state and local issues relating to the needs of communities and public works programs.
- f) To participate in or support legal actions to the extent and in the manner deemed appropriate in each case, which affects the interests of Contractor Members.
- g) To promote and foster ethical practices among contractors, governmental agencies, utility companies, construction vendors, labor, professional engineers/consulting firms and with the general public.
- h) To promote or support research and new technologies that aid contractors engaged in the Infrastructure contracting industry.
- i) To seek strategic alliances, exchange data and information with trade associations, chambers of commerce, board of trade and other organizations engaged in similar activities.
- j) To support and provide educational opportunities to Members of the Association.
- k) To participate with and support charities and public service organizations.
- l) To conduct programs of interest for its Members.
- m) To pursue and perform all and everything which is necessary, advisable or suitable and proper for the conduct of business of a construction industry trade association and for the purpose of carrying out the objects heretofore expressed, and to exercise all implied powers and rights which the Association may possess to the fullest extent permitted by law.

**ARTICLE II
MEMBERS; MEMBER MEETINGS**

SECTION 1: MEMBERS

- a) The Members (each, a “Member”) of this Association shall consist of persons or entities directly or indirectly engaged in, affiliated with or furnishing services to the Infrastructure construction industry. Each Member shall have all of the rights, privileges, and responsibilities as provided for its Class.
- b) There shall be the following classes (each a “Class”) of Members:
 - i. Contractor Members;
 - ii. Associate Members;
 - iii. Past President Members; and

- iv. Public Agency Members.
- c) Additional Classes of Members may be created by the Board from time to time when in the opinion of the Board the “Purposes” and “Objectives” of this Association will be furthered thereby.

SECTION 2: CONTRACTOR MEMBERS

- a) **Qualifications.** This Class of Contractor Members shall be comprised of non-public individuals or entities capable of accomplishing the satisfactory completion of Infrastructure construction projects. No public body, or a member or representative thereof, nor governmental body, corporation or entity, or a member or representative thereof, shall qualify to be a Contractor Member in this Association. Only a licensed contractor, which has established a reputation for quality, integrity and responsibility, may be considered for eligibility as a Contractor Member in the Association. Each Contractor Member shall meet all federal, state and local requirements necessary to lawfully engage in the business of construction of infrastructure construction work. Each Contractor Member shall have the necessary technical knowledge, quality and practical experience to execute projects undertaken in a professional, efficient and safe manner.
- b) **Appointment.** Each Contractor Member that is in good standing with the Association shall be entitled to designate an employee or representative to serve on the Board (the “Contractor Board Representative”). The Contractor Member shall give written notice to the Association by January 15 of each year of the name of such Contractor Board Representative. If the Association does not receive such notice of appointment by January 15 of a year, the Contractor Board Representative shall be deemed to be the Contractor Member’s most recent Contractor Board Representative, if applicable, or the senior manager responsible for the Contractor Member’s Arizona operations. The Contractor Board Representative shall be permitted to speak for the Contractor Member on all matters submitted to the Board. Each Contractor Member, by and through its Contractor Board Representative, shall be entitled to cast one (1) vote on any matter submitted to the Contractor Members or to the Board.

The Board shall have the right to determine whether a Contractor Member is in good standing based upon compliance with rules and policies of the Association and payment of dues and fees.

- c) **Resignations; Replacements.** Any Contractor Board Representative may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and if no time is specified, at the time of its receipt by the President, Executive Director or Secretary. Acceptance of a resignation shall not be necessary to make it effective. Upon resignation by a Contractor Board Representative, or if a Contractor Board Representative dies, becomes disabled, or leaves employment of the Contractor Member, the Contractor Member may

designate a replacement Contractor Board Representative to serve for the remainder of the year by delivering written notice to the Association.

- d) **Removal.** A Contractor Board Representative may be removed at any time by an affirmative vote of removal of at least a majority of the Board members constituting the Board at such time. The Board, by a majority vote of a quorum present, and at its sole discretion, may also declare any Contractor Board Representative position to be vacant if such Contractor Board Representative has more than three (3) consecutive absences from regular Board meetings in any twelve (12) month period and the Board in its sole judgment determines that such absences were without justifiable cause or reasonable excuse.

SECTION 3: PAST PRESIDENT MEMBERS; VOTING PAST PRESIDENTS

- a) Each former President of the Association shall be entitled to membership in the Association as a Past President Member. Each Past President Member shall also be entitled to serve as a director on the Board and to vote on Board matters during a calendar year only if the Past President Member has attended at least five (5) regular monthly meetings of the Board in the current or preceding calendar year. This attendance requirement may be met by telephonic participation but not by proxy.
- b) A Past President Member who has met the attendance requirement for voting on Board matters during a calendar year is hereby referred to as a “Voting Past President.”
- c) The status of a Voting Past President shall be determined annually. The lapse of a Past President Member’s status as a Voting Past President in a year shall not preclude the Past President from regaining its status as a Voting Past President in future years by meeting certain attendance requirements as established by the Board from time to time. Notwithstanding the foregoing, if a Past President Member fails to qualify as a Voting Past President for five (5) consecutive years, such Past President Member shall no longer be eligible to become a Voting Past President.

SECTION 4: ASSOCIATE MEMBERS; ANNUAL MEETING OF ASSOCIATE MEMBERS

- a) **Qualifications.** This Class of Associate Members shall be comprised of non-public individuals or entities who are determined by the Board as having demonstrated an interest in the Association, desire to further the purposes and programs of the Infrastructure construction industry, and have established a reputation for quality, integrity and responsibility. No public body, or a member or representative thereof, nor governmental body, corporation or entity, or a member or representative thereof, shall qualify to be an Associate Member in this Association.
- b) **Election of Board Representatives.** Each Associate Member shall be entitled to cast one vote, by and through an employee or representative designated by the Associate Member (the “Associate Voting Employee”), on the election of the Associate Member Board representatives (the “Associate Board Representatives”) who shall serve on the Board. The Associate Member shall give written notice to the Association by January 15 of each year of the name of its Associate Voting Employee. The Associate Member may also designate one or more of its employees or representatives who are authorized to appear and to cast votes pursuant to written proxy given by the Associate Voting Employee. If the Association does not receive such notice of appointment by January 15 of any year, the Associate Voting Employee of the Associate Member shall be deemed to be the most recent Associate Voting Employee of such Associate Member, if applicable, or the Associate Member’s most senior manager responsible for its nearest Arizona operations. An Associate Voting Employee shall speak for its Associate Member on all matters submitted to the Associate Members. Notwithstanding the foregoing, an employee or representative of an Associate Member who is elected as an Associate Board Representative shall automatically become the Associate Voting Employee of the Associate Member effective upon the person’s election.
- c) **Annual Meeting.** The Associate Members, by and through their Associate Voting Employees, shall meet each year to elect Associate Board Representatives, determine the “Ditchdigger of the Year,” and conduct and discuss other matters of common interest to the Associate Members. A written notice of the date, time and place of the annual meeting of Associate Members shall be delivered to all Associate Members at least ten (10) calendar days prior to the meeting. Such written notice may be given by the use of electronic mail or facsimile. A majority of the Associate Members present at the meeting shall elect one (1) or more employees of Associate Members to serve as Associate Board Representatives on the Board in the next calendar year, plus an alternate (“Alternate Associate Board Representative”). The number of Associate Board Representatives shall be as provided in Article V, Section 2(a). No more than one employee or representative of an Associate Member may serve as an Associate Board Representative on the Board at the same time. Therefore, a person elected to serve as Associate Board Representative shall, effective upon the election, be deemed its employer’s

Associate Voting Employee, and shall succeed any person who had heretofore served in that capacity. The election of Associate Board Representatives shall be conducted by secret ballot. Associate Members may participate by proxy. One-tenth (1/10) of the Associate Members shall constitute a quorum of the Associate Members.

Immediately after the annual meeting, the Associate Board Representatives shall elect one (1) of the Associate Board Representatives to serve on the Executive Committee in the following year and one (1) of the Associate Board Representatives as a replacement to fill in for such person should the primary representative not be available.

- d) **Resignations; Replacements.** Any Associate Board Representative may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and if no time is specified, at the time of its receipt by the President, Executive Director or Secretary. Acceptance of a resignation shall not be necessary to make it effective. Upon resignation by an Associate Board Representative, or if an Associate Board Representative dies, becomes disabled, or leaves employment of the Associate Member, the Alternate Associate Board Representative shall take the Associate Board Representative's place on the Board. If more than one position becomes available, or if there is at such time no Alternate Associate Board Representative, the Associate Members may call a special meeting to elect a replacement Associate Board Representative to serve for the remainder of the year by delivering written notice to the Association.
- e) **Removal.** An Associate Board Representative may be removed at any time by an affirmative vote of removal of at least a majority of the total number of Board members constituting the Board at such time. The Board, by a majority vote of a quorum present, and at its discretion, may also declare any Associate Board Representative position to be vacant if such Associate Board Representative has more than three (3) consecutive absences from regular Board meetings in any twelve (12) month period and the Board in its sole judgment determines that such absences were without justifiable cause or reasonable excuse.

SECTION 5: PUBLIC AGENCY MEMBERS

- a) **Qualifications.** This Class of Public Agency Members shall consist of state, local and county governmental or quasi-governmental entities, or persons or representatives therefrom, having jurisdiction over the Infrastructure industry in the State of Arizona and who are determined by the Board as having demonstrated an interest in the Association
- b) **Participation.** The rights, privileges and obligations of each Public Agency Member shall be determined by the Board. A Public Agency Member shall be allowed to attend meetings and presentations of the Association and Board as determined by the Board. No Public Agency Member shall have any vote in the

Association nor any participation or vote on the Board. The Class of Public Agency Members is non-voting.

- c) **Resignation; Removal.** A Public Agency Member shall be entitled to resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and if no time is specified, at the time of its receipt by the President, Executive Director or Secretary. Acceptance of a resignation shall not be necessary to make it effective. Each Public Agency Member shall hold membership for a one year term, with the right of the Board to renew such membership and at any time to cancel any membership and remove any Public Agency Member.

SECTION 6: ADMISSION; RIGHTS AND PRIVILEGES; WITHDRAWAL

- a) A person or entity desiring to become a Member shall submit its application on forms provided by the Executive Director of the Association. A majority vote of the members of the Board present at a regularly scheduled Board meeting shall be required for approval of the application.
- b) From and after its approval by the Board, and upon payment of dues pro-rated to the end of the current year, the applicant shall be entitled to exercise the rights and privileges of a Member of its Class.
- c) The rights and privileges of a Member shall be subject to annual renewal, conditioned upon timely payment of annual dues as provided in Article III. Participation by a Member in any Association activities in a year shall be deemed to be the Member's election to renew, and to pay annual dues for that year.
- d) A Member may withdraw from the Association at any time effective upon delivery of written notice; but the withdrawing Member shall remain obligated for payment of its dues and other amounts due and owing to the Association for the current year.

SECTION 7: LIABILITY

No Member shall be personally liable for the debts of the Association, but all Members shall be liable for Annual Dues and Assessments to this Association as provided by these Bylaws.

ARTICLE III ANNUAL DUES AND ASSESSMENTS

SECTION 1: ANNUAL DUES

- a) Each Member shall pay to the Association the appropriate annual dues ("Annual Dues") for its Class established by the Board as provided in Article V, Section 2(c):

- b) If an employee of a Member has attended, or participated in, any Association meeting or activity, or if a Contractor Member has designated a Contractor Board Representative for a year, the Member shall be deemed to have renewed and shall be obligated to pay dues for the current year.

SECTION 2: ASSESSMENTS

The Board, by an affirmative vote of two-thirds (2/3) of the members of the Board present at the meeting, may adopt a special assessment (“Assessment”) to pay expenses incurred by the Association, provided that the Assessment has been placed upon a written agenda for the meeting, with at least ten (10) days’ notice of the meeting.

SECTION 3: MODIFICATION OF ANNUAL DUES AND ASSESSMENTS

Annual Dues and Assessments may be increased, decreased, supplemented, added or changed by the Board, pursuant to an affirmative vote of at least two-thirds (2/3) of the members of the Board present at the meeting, provided that the increase, decrease, supplementation, addition or change has been placed on the Board’s agenda for the meeting.

SECTION 4: OPTION TO OBTAIN AND RETAIN MEMBERSHIP IN OTHER TRADE ORGANIZATIONS

- a) The Board shall annually review its option to associate with other trade associations for the benefits to be derived by the Association thereby.
- b) Each Member choosing to itself affiliate with any other trade association(s) shall be solely responsible for all dues required of the Member for such affiliation(s), without contribution from, or reimbursement by, the Association.

ARTICLE IV SUSPENSION OR REVOCATION OF MEMBERS

Notwithstanding anything herein to the contrary, the Board may expel a Member or suspend or revoke the rights and privileges of a Member. Such action shall only be taken after majority vote of all the members of the Board, which vote shall take place at a scheduled meeting for such purpose. A written notice, detailing the reasons for the proposed expulsion, suspension or revocation, shall be given to such Member and all members of the Board at least fifteen (15) days prior to the scheduled meeting, and the Member shall be given an opportunity to be heard by the Board, orally or in writing, at least five (5) days prior to the effective date of any such expulsion, suspension or termination. The expulsion of a Member or the suspension or revocation of the rights or privileges of a Member may be approved by the Board for the following reasons:

- a) If a Member shall fail to pay in full all Dues and Assessments owed to the Association within sixty (60) calendar days after the same first becomes due.

- b) If a Contractor Member's contracting license with the Registrar of Contractors of the State of Arizona has been suspended or revoked for more than sixty (60) calendar days.
- c) Conduct unbecoming a Member or prejudicial to the goals, purposes or reputation of the Association.
- d) If a Member is found or pleads guilty to a criminal offense, either as a professional or as a citizen, or violates any of the provisions of the Articles of Incorporation, these Bylaws or any principles of professional conduct adopted by the Association or the Registrar of Contractors of the State of Arizona.

ARTICLE V BOARD OF DIRECTORS

SECTION 1: POWERS

The business, affairs and property of the Association shall be managed by its Board of Directors (the "Board"), which may exercise all powers that are not by statute or these Bylaws required to be exercised by the Members.

SECTION 2: BOARD OF DIRECTORS

- a) Membership on the Board shall be comprised of: (i) each Contractor Board Representative; (ii) one (1) or more Associate Board Representatives, in a number equal to one (1) Associate Board Representative for every fifteen (15) Associate Members firms - the total Associate Board Representatives will be limited to a maximum number totaling one less than the total number of contractor members; and (iii) the Voting Past Presidents. The total number of Associate Board Representatives will be determined for the following year based upon the current Associate Members in good standing on October 1st of the preceding year. No Public Agency Member may serve as a Director on the Board nor cast any votes; provided, however, that the Board may invite Public Agency Members to attend Board meetings and to participate in discussion of issues, all as determined by the Board in its sole discretion.
- b) The Executive Director shall maintain a register (the "Board Register") identifying: (i) the Contractor Board Representatives designated or deemed to have been designated by the Contractor Members as provided in Article II, Section 2; (ii) the Associate Voting Employees of Associate Members designated as provided in Article II, Section 4; (iii) the Associate Board Representatives elected by the Associate Voting Employees as provided in Article II, Section 4; and (iv) the Voting Past Presidents as provided in Article II, Section 3. Only persons identified in the Board Register shall be entitled to cast votes on matters submitted to the Board or to the Associate Members, as the case may be. The

Executive Director shall bring the Board Register to each meeting of the Board and of the Associate Members.

- c) The Board shall meet in November of each year for the following purposes: (i) to elect Officers of the Association to serve during the next calendar year, (ii) to establish the Annual Dues to be paid by Members during the next calendar year; (iii) to adopt a budget for the next calendar year; and (iv) for such other business as may appear on the agenda for the November meeting.
- d) The Board shall hold regular monthly meetings. No notice of regular monthly meetings shall be required.
- e) The Board shall hold special meetings as may be necessary in the opinion of the President or Executive Director to properly conduct the affairs of the Association. Notice shall be given to all Board members at least two (2) calendar days prior to such special meeting, which notice shall contain the date, time and place of such special meeting.
- f) Each Contractor Board Representative, Associate Board Representative and Voting Past President, shall have one (1) vote. Proxy voting shall be permitted with a signed proxy delivered to the Executive Director by commencement of the meeting.
- g) One third (1/3) of the members of the Board shall constitute a quorum of the Board.
- h) Provided that a quorum is present, a majority vote of the members of the Board present at the meeting shall decide any agenda item brought before any meeting of the Board, except as specifically provided to the contrary in Sections 2 and 3 of Article III, and in Article XI of these bylaws.

SECTION 3: COMMITTEES

The President with the consent of the Board shall form committees as deemed necessary. The President with the consent of the Board shall have the power to fill vacancies, change the membership of or dissolve any committee.

SECTION 4: PROFESSIONALS

The Board shall have authority to select, employ and engage legal counsel, accountants and other professionals.

ARTICLE VI OFFICERS

SECTION 1: TITLES, NUMBERS AND QUALIFICATIONS

The officers (“Officers”) of the Association shall be a President, First Vice President, Vice

President, Secretary/Treasurer and such other officers as the Board may from time to time deem advisable or necessary. Only Contractor Board Representatives may hold the office of President, First Vice President, Vice President and Secretary/Treasurer. A Contractor Member shall have no more than one employee serving as an Officer of the Association.

SECTION 2: ELECTION AND TERM OF OFFICE

The Officers of the Association to serve for the following year shall be elected by the Board at its November meeting. Each Officer shall hold office for one (1) year and until its successor has been duly elected and qualified or until its earlier resignation, death or removal from office as hereinafter provided.

SECTION 3: REMOVAL; VACANCIES

The Board may remove any Officer, with or without cause, by an affirmative vote of two-thirds ($\frac{2}{3}$) of the Board members present at a meeting. A vacancy in any office shall be filled by the Board at the Board's discretion.

SECTION 4: OFFICERS MAY NOT DELEGATE

The duties of an Officer of the Association shall be performed by the Officer in his or her individual capacity and may not be assumed by any other employee or representative of the Member that employs the Officer.

SECTION 5: AUTHORITY

All Officers shall have such authority and perform such duties in the management of the Association as are provided in these Bylaws or as may be determined by the Board not inconsistent with these Bylaws.

SECTION 6: PRESIDENT

The President shall: preside at all meetings of the Contractor Members, the Board and the Executive Committee; enforce the Bylaws; and, appoint all committee members, with the consent of the Board, unless otherwise instructed by the Board. The President shall be an ex officio member of all committees. After completion of his or her term, the President shall be entitled to serve on the Board as a "Voting Past President", subject to meeting the attendance requirements as provided in Article II, Section 3.

SECTION 7: FIRST VICE PRESIDENT

The First Vice President shall assist the President and act as President in his or her absence. In case of a vacancy in the office of President, such office shall be filled by the First Vice President until the President's successor has been elected.

SECTION 8: SECOND VICE PRESIDENT

The Vice President shall assist the President, First Vice President and Secretary/Treasurer as

requested by them, and shall have whatever duties are prescribed by the Board.

SECTION 9: SECRETARY/TREASURER

The Secretary/Treasurer shall keep or cause to be kept an accurate record of the proceedings of all meetings, and shall have such other duties as may be prescribed by the Board.

SECTION 10: EXECUTIVE DIRECTOR

- a) The Executive Director shall be employed by the Board and shall serve at the pleasure of the Board, unless otherwise specifically provided by written contract.
- b) He or she shall perform and supervise the day-to-day operations of the Association, carrying out the instructions and policies of the Board and Officers.
- c) The Executive Director shall attend all meetings of the Association and the Board, and shall keep a complete and accurate record of proceedings and meetings. He or she shall notify the Members of all meetings when requested to do so by the Board, and shall notify the Board members of all meetings.
- d) He or she shall receive all applications for Membership together with the Membership dues deposit, and shall notify candidates of their admission to or rejection from Membership in the Association. He or she shall keep a complete and accurate record of the status of each Member of the Association.
- e) He or she shall attend to all correspondence of the Association and perform such other duties as may be required. He or she is responsible for employment and supervision of all staff personnel he/she deems necessary, subject to the approval of the Board.

ARTICLE VII EXECUTIVE COMMITTEE

- a) The Executive Committee shall be comprised of the President, First Vice-President, Vice President, Secretary/Treasurer, one (1) Associate Board Representative selected as provided in Section 4(c) of Article II, the Executive Director and the Past President who held office as the President during the prior calendar year. The Executive Director shall not vote.
- b) The Executive Committee shall be deemed to be a committee of the Board, with authority to make decisions of the Association, to the fullest extent permitted by law for committees of the Board, under circumstances where convening the Board would be impracticable.
- c) Any member of the Executive Committee may call a meeting of the Executive Committee on at least two (2) calendar days' notice. Members of the Executive Committee may participate telephonically or by proxy.

- d) Two-thirds (2/3) of the Executive Committee shall constitute a quorum. Provided that a quorum is present when a vote is taken, a majority of the members present is an act of the Executive Committee. The Executive Committee shall notify the Board of any action it has taken.

ARTICLE VIII VOTING & CONSENT ACTIONS

SECTION 1: VOTING

A person entitled to vote at any meeting of the Board, Contractor Members, Associate Members, or Executive Committee, shall be deemed to be present if the person is present, or (except for Past Presidents as provided in Article II, Section 3) has given its proxy to another person who is entitled to vote and is in fact present. Proxies shall be in writing, be limited in their effect to one specific meeting identified in the proxy, and given to the Executive Director by commencement of the meeting. The person to whom the proxy is given shall cast the proxy vote as directed in the proxy; otherwise, as the proxy holder sees fit. Persons may participate in a meeting telephonically or by other means of communication provided that the audio arrangements are made so as to ensure that all participants may simultaneously hear each other during the meeting, and any person participating in a meeting by such means is deemed to be present in person at the meeting and for determining whether a quorum is present.

SECTION 2: ACTION WITHOUT MEETING

- a) Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a written consent setting forth the action so taken shall be signed by a majority of all persons entitled to receive notice of and vote on such action.
- b) Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting, without prior notice and without a vote, if a written consent setting forth the action so taken shall be signed by all of the members of the Board.
- c) Signatures may be electronic and may be obtained by counterpart on any such matter. Any written consent executed pursuant to this Section shall have the same force and effect as if a vote had been taken in accordance with any other provisions of the Bylaws.

SECTION 3: POWERS RESERVED TO THE BOARD

Notwithstanding any other provision herein to the contrary, neither the Associate Members nor the Associate Voting Employees, nor the Public Agency Members, shall have a right to vote on any matter relating to the Association, including, without limitation, with respect to dissolution, amendments, sale of assets or any other matter, except that Associate Voting Employees shall elect Associate Board Representatives and determine the “Ditchdigger of the Year” as provided above, it being the intent hereof that all business or corporate action, including the adoption of amendments to the governing documents, is vested in the Board, subject to the terms hereof;

provided, however, that pursuant to the Articles of Incorporation, any amendment to these Bylaws adopted by the Board may be amended or repealed by a majority vote of the Associate Members and Contractor Members.

ARTICLE IX CONFLICTS; DISSOLUTION

- a) **Conflicts of Interest.** The Association and its Members, and the Board, shall abide by all conflict of interest policies adopted by the Board, including the Conflict of Interest Policy annexed hereto as Exhibit A, which such policy may be amended or supplemented at any time by a majority vote of the Board at a regularly scheduled meeting.
- b) **Prohibition Against Private Inurement.** No director of the Board, Officer, employee of the Association, member of a committee of the Association, or any other private individual shall receive at any time any of the net earnings or pecuniary profit of the Association, except that the Association can pay reasonable compensation for services rendered.
- c) **Dissolution.** Only the Board, by an affirmative vote of a majority of the members of the Board, shall have the right to dissolve the Association. No director of the Board, Officer, employee of the Association, member of a committee of the Association, or any other private individual shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Association. All directors of the Association shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Association, whether voluntary or involuntary, all of the assets of the Association remaining after all debts have been satisfied shall be distributed to an entity qualifying as exempt within the provisions of Section 501(c)(3) of the Internal Revenue Code.

ARTICLE X INDEMNIFICATION

The Association shall, to the extent permitted by law, indemnify any person against liability and expense, including without limitation, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably suffered or incurred by reason of the fact that he/she is or was a Director, Officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other entity, in all circumstances in which, and to the extent that, such indemnification is permitted by A.R.S. §§ 10-3851, 10-3852 and 10-3856, as such provisions may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code. Any indemnification hereunder shall be made by the Association subject to applicable provisions of law pertaining to the standards of conduct for any indemnitee, and only as authorized pursuant to A.R.S. § 10-3855, as it may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code. To the extent permitted by law, indemnification shall include the advancing of legal expenses, or reimbursement of same, prior to any final

determination of liability, and subject to applicable provisions of law pertaining to the standards of conduct for any indemnitee.

**ARTICLE XI
AMENDMENTS--CONFLICTS**

These Bylaws and the Articles of Incorporation may be restated, amended, altered or repealed by the Board upon an affirmative vote of at least a majority of the total number of members constituting the Board (not of a mere majority of a quorum).

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control.

**ARTICLE XII
EMBLEM**

SECTION 1: ADOPTION

The Board shall adopt an emblem or emblems for this Association as it sees fit, and may modify same upon a majority vote of those present at regularly scheduled meetings and provided that the emblem adoption has been placed on the meeting agenda.

SECTION 2: USE

All Members of this Association who have not been suspended or revoked shall have the right to use the Association's emblem for all legitimate purposes.

CERTIFICATE OF ADOPTION

The undersigned Secretary does hereby certify that the foregoing Amended and Restated Bylaws were duly adopted by the Board of **ARIZONA TRANSPORTATION BUILDERS ASSOCIATION** in accordance with the Bylaws on the ____ day of _____, 2014.

By: _____

Secretary _____

EXHIBIT A

Conflict of Interest Policy

[attached]

Conflict of Interest Policy

ARTICLE 1 PURPOSE

The purpose of this Conflict of Interest Policy (this “Policy”) is to protect the interest of the ARIZONA TRANSPORTATION BUILDERS ASSOCIATION (the “Association”) when the Association is contemplating entering into a transaction or arrangement that might benefit the private interest of an Interested Person (as defined below), or which may result in an excess benefit transaction. This Policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit organizations, and it shall be interpreted in a manner consistent with the limitations and restrictions imposed under applicable tax laws.

ARTICLE 2 DEFINITIONS

2.1 Interested Persons

An “Interested Person” is any member, officer or director of the Association; any member of a committee with powers delegated from the Association; and any “disqualified person,” within the meaning of Internal Revenue Code Section 4958(f)(1), which person has a direct or indirect financial interest (as defined below).

2.2 Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

2.2.1 An ownership or investment interest in any entity with which the Association has a transaction or arrangement, or

2.2.2 A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or

2.2.3 A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

“Compensation” includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. “Transactions or arrangements” should be interpreted broadly and shall include, but not be limited to, loans, grants or other assistance, direct or indirect business dealings, etc. “Family” includes the person’s spouse; ancestors; children; grandchildren; great grandchildren; spouses of children, grandchildren and great grandchildren; brothers and sisters (whether by the whole or half blood); and the brothers and sisters (whether by whole or half blood) of the person’s spouse.

ARTICLE 3 PROCEDURES

3.1 Duty to Disclose

In connection with any actual or possible conflict of interest, an Interested Person must promptly disclose the existence and nature (including all material facts) of the financial interest to the Board and members of any committees with Board delegated powers who are considering the proposed transaction or arrangement.

3.2 Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Board or committee meeting while the financial interest is discussed and voted upon. The remaining disinterested Board or committee members shall decide if a conflict of interest exists.

3.3 Procedures for Addressing the Conflict of Interest

3.3.1 The Interested Person may make a presentation at the Board or committee meeting but, after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

3.3.2 The disinterested Board or committee members shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3.3.3 After exercising due diligence, the disinterested Board or committee members shall determine whether the Association can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

3.3.4 If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the disinterested Board or committee members shall determine by a majority vote, whether the transaction or arrangement is in the Association's best interest, is for its own benefit and is fair and reasonable to the Association. In addition to other considerations which may be used in making such determination, such determination shall be made by considering whether the provisions of Internal Revenue Code Section 4958 and the underlying Treasury Regulations are satisfied. In conformity with such determination, the disinterested Board or committee members shall decide whether to enter into the transaction or arrangement.

3.4 Violations of the Conflict of Interest Policy

3.4.1 If the disinterested Board or committee members have reasonable cause to believe that an Interested Person has failed to disclose an actual or possible conflict of interest,

such Board or committee members shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

3.4.2 If, after hearing the response of the Interested Person and making such further investigation as may be warranted in the circumstances, the disinterested Board or committee members determine that the Interested Person has in fact failed to disclose an actual or possible conflict of interest, the disinterested Board or committee members shall take appropriate disciplinary and corrective action.

ARTICLE 4 RECORDS OF PROCEEDINGS

The minutes of all Board meetings and the minutes of all meetings of committees with Board delegated powers shall contain:

4.1 The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the disinterested Board or committee members' decision as to whether a conflict of interest in fact existed.

4.2 The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

ARTICLE 5 COMPENSATION COMMITTEES

5.1 A Board member who receives compensation directly or indirectly from the Association for services is precluded from voting on matters pertaining to the applicable Board member's compensation.

5.2 A committee member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association for services, whether as an employee or independent contractor, is precluded from voting on matters pertaining to that member's compensation.

5.3 Any Board or committee member may provide information regarding compensation to those eligible to make compensation decisions.

ARTICLE 6 ANNUAL STATEMENTS

Each Interested Person shall annually sign a statement which affirms that such person:

- (a) Has received a copy of this Policy;
- (b) Has read and understands this Policy;

- (c) Has agreed to comply with this Policy; and
- (d) Understands that the Association is a non-profit organization and that, in order to maintain its federal tax exemption, the Association must engage primarily in activities which accomplish one or more of the Association's tax-exempt purposes.

ARTICLE 7 PERIODIC REVIEWS

To ensure that the Association operates in a manner consistent with the Association's purposes and that the Association does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the Board or individuals appointed by the Board. The periodic reviews shall, at a minimum, include the following subjects:

7.1 Whether each compensation arrangement, or other transaction or arrangement involving an Interested Person is (a) reasonable, (b) the result of arm's-length bargaining, and (c) approved by the procedures set forth in Treasury Regulation Section 53.4958-6.

7.2 Whether each partnership, joint venture and contractor services arrangement between the Association and any non-charitable organization conforms to the written policies, is properly recorded, reflects reasonable payment for goods and services, furthers the Association's purposes and does not result in inurement or impermissible private benefit or in an excess benefit transaction.

7.3 Whether the Association's Conflict of Interest Policy should be updated.

If a periodic review results in a determination that a transaction or arrangement to which the Association is a party is not in compliance with this Policy, then the Board shall determine the appropriate remedial action to be taken under the circumstances.

ARTICLE 8 USE OF OUTSIDE EXPERTS

In conducting the periodic reviews provided for in Article 7, and in making any determinations of whether compensation and any transaction or arrangement is reasonable, the Association may, but need not, use outside advisors and may rely on the advice of legal counsel. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

ARTICLE 9
AVOIDANCE OF EXCESS BENEFIT TRANSACTIONS

To assist in ensuring that the Association operates in a manner that precludes the participation of the Association in any “excess benefit transaction” within the meaning of Section 4958 of the Internal Revenue Code, the Board shall be required to annually maintain and update a current list of Interested Persons. Each Interested Person shall certify annually to the Association in writing that such person has not knowingly participated in an excess benefit transaction.