

**BYLAWS**  
**THE DISPUTE RESOLUTION BOARD FOUNDATION, INC.**  
**(A NON-STOCK, NOT-FOR-PROFIT CORPORATION)**

**ARTICLE I. NAME**

The name of this organization is “The Dispute Resolution Board Foundation, Inc.” It is a not-for-profit corporation without capital stock organized under the laws of the State of Wisconsin. The organization is referred to in these Bylaws as the “Foundation” or “DRBF.”

**ARTICLE II. PURPOSES AND OBJECTIVES**

The members of the Foundation believe that Dispute Boards (“DBs”) are an efficient, timely, and cost-effective means for avoidance and resolution of construction disputes and other commercial disputes. For that reason, the Foundation is a voluntary organization created to provide information, education and training to entities and persons having need of dispute avoidance and resolution services and to create a clearing house for the bringing together of the providers and users of DB services. By so doing, it is the goal of the Foundation to assist in the avoidance and resolution of disputes on construction and other commercial projects. In particular, the Foundation intends and shall conduct the following activities:

- A. To create and provide educational materials and services for members and the public concerning the DB process.
- B. To exchange information with public and private organizations concerning DBs, including DRBF Regions affiliated with the Foundation as provided in Article VII.
- C. To encourage, sponsor, or conduct seminars, conferences, and other means of creating interaction between providers and users of DBs.
- D. To publish articles, manuals, and other educational literature about DBs.
- E. To promote and provide training for active and prospective DB members, and users of the DB process.
- F. To perform any other lawful act for which corporations may be formed under the laws of the United States of America and the State of Wisconsin, subject, in all events, to the prohibitions set forth in the Articles of Incorporation of the Foundation.

**ARTICLE III. MEMBERSHIP**

The membership of the DRBF is composed of individuals and organizations supporting the purposes and objectives of the DRBF. All members of the DRBF shall be entered on a register maintained by the DRBF. Membership in the DRBF shall consist of individuals and organizations that satisfy the criteria established by the Executive Board of Directors from time to time. The

different categories of membership and benefits provided to each such membership category, the qualifications, and the application process for members shall be as set forth in these Bylaws and the DRBF's policies.

**Section 1. Membership Application and Approval.** Application for membership must be filed with the DRBF Executive Board of Directors or a DRBF Region as prescribed by the DRBF Executive Board of Directors. The Executive Board of Directors may from time to time institute rules and procedures for the admission of members, and the Executive Board of Directors shall have the right to appoint a member of the DRBF staff or another person who will have the authority to approve the membership of any applicant. Those persons named in the Articles of Incorporation as Directors, or the firms represented by such persons, shall be deemed members of the Foundation without further act of the Executive Board of Directors, providing that each person or firm selects its appropriate category of membership and maintains membership by timely payment of annual dues.

**Section 2. Rights of Membership.** All members in good standing shall have the right to inspect the Foundation's records to the extent that the applicable Wisconsin law permits members to have such access and subject to any limitations included in applicable Wisconsin law. All members in good standing and who are current on their dues payments shall have the right to attend the Annual Meeting and Special Meetings of the membership and the right to vote on all matters on which members are permitted to vote, subject to Article IV, Section 4 of these Bylaws. Any reference hereinafter to member(s), unless otherwise noted, shall refer to a qualified voting member of the DRBF.

#### **ARTICLE IV. MEMBERSHIP MEETINGS AND VOTING**

**Section 1. Annual Meeting.** The Annual Meeting of the membership shall be held once each calendar year at a time and place determined by the Executive Board of Directors. The membership shall be given at least 30 days' notice, but not more than 60 days' notice, of the time, date, and place of the Annual Meeting. The notice of the meeting need not state details of the Foundation's business to be transacted unless it is a matter for which a vote of the members is expressly required by the provisions of Wisconsin law.

**Section 2. Special Meetings.** Special meetings of the members may be called by the President or a majority of the Executive Board of Directors. Furthermore, upon written demand signed and dated by at least one-quarter of the regular DRBF members in good standing and describing one or more purposes for the meeting, delivered to an officer of the Foundation, a special meeting shall be called. Notice of a special meeting shall be given to the membership at least 10 days in advance of the special meeting, or at least 30 days in advance of the meeting if notice is mailed by a method other than first class or registered mail, but not more than 60 days in advance of the meeting. Such notice shall include a description of the matter or matters for the which the special meeting is called, as well as the time, date, and place of the special meeting.

**Section 3. Quorum.** At any meeting of the members, either annual or special, the regular members present in person or by proxy shall constitute a quorum for the transaction of business regardless of the number of persons actually present.

**Section 4. Voting Members and Proxies.** Each member shall have one vote per membership. Any member may have as many persons attend meetings as such member deems necessary or desirable. When more than one person attends a meeting on behalf of a member, the vote appurtenant to the membership shall be cast as the persons attending may agree or in accordance with written instructions delivered to the Executive Secretary of the meeting. No member shall be entitled to vote unless that member is in good standing with all dues and assessments paid in full. Members may vote either in person or by proxy, subject to the limitations herein. All proxies must be signed and dated by the member and delivered to the Executive Secretary of the meeting prior to its being voted. No proxy shall remain valid for more than 60 days from the date of its execution. Any questions concerning the validity of a proxy will be determined by the Executive Board of Directors in their absolute discretion and any such decision shall be final.

**Section 5. Proprietary Interest.** During the existence of the Foundation, no member shall own or benefit from any property owned by the Foundation. The provisions of Article Seven of the Foundation's Articles of Incorporation shall govern all relations of the corporation and its members.

**Section 6. Dues and Assessments.** The Foundation shall determine the amount and method of payment of all dues and assessments to the Foundation by a vote of its Executive Board of Directors. The amount of dues and assessments shall be subject to annual review by the Executive Board of Directors and shall be announced not later than sixty days prior to the commencement of the fiscal year for which such amounts are due. A member who is delinquent in payment of dues and assessments shall not be entitled to vote or to obtain any other benefit of membership. All dues established pursuant to this section shall be payable directly to the Foundation.

**Section 7. Action by Ballot.** Any action required to be taken at a meeting of the members or any action which may be taken at a meeting of the members may be conducted by U.S. mail ballot, fax ballot, electronic mail ballot, or any other method of voting provided for by Wisconsin law. Such voting shall be subject to the same quorum and notice requirements as a meeting held in person.

**Section 8. Procedures.** All meetings of the members shall be conducted with the procedures set out in Roberts Rules of Order or a similar standardized parliamentary procedure as may be adopted by the Executive Board of Directors, provided, however, that any rules or processes established by applicable law, the Articles of Incorporation, these Bylaws, or by resolution of the Board shall take precedence over any conflicting procedures.

## **ARTICLE V. EXECUTIVE BOARD OF DIRECTORS**

**Section 1. Authority of the Executive Board of Directors.** The affairs of the Foundation shall be managed by its Executive Board of Directors, except as otherwise provided in the Articles of Incorporation or these Bylaws. The Executive Board of Directors is the governing body of the Foundation. The Executive Board has the authority to make rules or formulate policy for the Foundation to the extent not conflicting with the Articles of Incorporation or these Bylaws. The actions of the Executive Board of Directors shall be made available to the membership in accordance with Wisconsin law. The Executive Board of Directors, through the President, shall provide an annual report of the Foundation's affairs to the membership at the Annual Meeting.

**Section 2. Composition, Election and Term of Office.** The Executive Board of Directors shall consist of President, President-elect, Past President, Secretary/Treasurer, each of whom shall be selected in accordance with Article VI of these Bylaws, and the Presidents of the established DRBF Regions, who shall be elected by the members of their respective regions in accordance with their policies and procedures. The President shall act as the Chair of the Executive Board of Directors. All members of the Executive Board of Directors (referred to herein as “Executive Board members”) shall establish and/or maintain membership at the DB Leader level or such other membership level as shall be created and designated by the Executive Board of Directors. An Executive Director (if appointed) will be an ex-officio and non-voting member of the Executive Board of Directors. Each Executive Board member, except the Secretary/Treasurer, shall serve a term expiring in one year. A Secretary/Treasurer shall be elected for a three-year term. All of the Executive Board members shall be voting members of the Executive Board of Directors during their terms in office. The President, President Elect, Past President, and the Secretary/Treasurer shall each hold office as members of the Executive Board of Directors until the Annual Meeting designated as the end of their respective terms and until a successor is duly chosen and qualified. The Presidents of the established DRBF Regions shall each hold office as members of the Executive Board of Directors until the end of their respective terms as Presidents of their respective DRBF Regions and until a successor is duly chosen and qualified.

**Section 3. Regular Meetings.** The Executive Board of Directors shall hold no fewer than two (2) regular meetings per year, the exact number of which may be determined by the Executive Board of Directors from time to time, at a time and place established by the Executive Board of Directors. Notice need not be given of regular meetings of the Executive Board of Directors held at times and places fixed by the Executive Board of Directors.

**Section 4. Special Meetings.** Special meetings of the Executive Board of Directors may be called by the President, or at the request of a majority of the Executive Board members. Notice of the place, date, and time of each special meeting of the Executive Board of Directors shall be delivered to each Executive Board member at least two (2) days prior to the special meeting. Notice of any special meeting of the Executive Board of Directors may be given by verbal or written notice, including facsimile or other electronic methods of communication.

**Section 5. Quorum of Directors Eligible to Vote.** At any meeting of the Executive Board of Directors, a quorum for the transaction of business shall consist of a majority of Executive Board members eligible to vote. All decisions and elections of the Executive Board members shall be by majority vote of those present, unless otherwise provided by these Bylaws. Each member of the Executive Board of Directors who is present has one vote. The President shall have the same vote as any other Executive Board member.

**Section 6. Attendance.** Any Executive Board member who fails to attend at least one meeting each year shall be removed from the Executive Board of Directors by action of the Executive Board of Directors, unless the absence is excused for due cause by the President.

**Section 7. Vacancy.** In the case of any vacancy in the Executive Board of Directors of an elected Executive Board member through death, resignation, disqualification, or any other cause, the remaining Executive Board members may elect a successor to hold office (a) until the next Annual Meeting of members at which time the members entitled to vote shall elect a successor to fulfill the remaining portion of the Executive Board member’s term (in the case of a vacancy in the office

of Secretary/Treasurer); or (b) in the case of an Executive Board member serving a one-year term or in the case of a DRBF Region President, for the remainder of the unexpired term and until a successor is duly elected and qualified.

**Section 8. Removal.** Any Executive Board member, however elected or designated, may be removed for cause by the Executive Board of Directors as provided for herein. If, by a vote of two-thirds of the Executive Board members voting at a meeting at which a quorum is present, due cause is found for the potential removal of an Executive Board member, the President shall advise such Executive Board member in writing that the subject Executive Board member is being considered for removal. Such written notice shall include the basis for possible removal and shall give the subject Executive Board member a reasonable opportunity to respond at the next Executive Board of Directors regular meeting or at a special meeting called for that purpose. After hearing the Executive Board member's response, the Executive Board of Directors may then vote to remove the Executive Board member, with removal to be effective by a vote of two-thirds of the Executive Board members voting at a meeting at which a quorum is present. The Executive Board member shall retain voting rights until such removal has been acted upon by the Executive Board of Directors. The subject Executive Board member shall not be eligible to vote or be present when the vote is taken on removal. For purposes of the foregoing, "cause" shall include fraud or bad faith in connection with the affairs of the Foundation, conviction or the entering of a plea of guilty or no contest to a felony, or debarment or equivalent proceedings by any governmental agency.

## ARTICLE VI. EXECUTIVE OFFICERS

**Section 1. Elective Officers, Term of Office.** The officers of the Foundation shall be President, President-elect, Past President, and Secretary/Treasurer. The President, President-elect and Past President shall each serve one year in each position. The Secretary/Treasurer shall serve a three-year term. No officer, other than Secretary/Treasurer, may serve as an officer for more than six consecutive years.

**Section 2. Election, Vacancy.** The President-elect shall be elected by the entire DRBF membership at each Annual Meeting. Following the election of a successor President-elect, the immediate past President-elect shall become President, and the immediate past President shall become Past President. Consistent with the foregoing succession cycle, the President, President-elect and Past President shall each hold office until the next Annual Meeting, and until a successor for their respective office has been duly elected and qualified. The Secretary/Treasurer shall hold office until the third Annual Meeting following his/her election and until a successor has been duly elected and qualified. In the event of a vacancy due to resignation, withdrawal, death or inability to serve, the Executive Board of Directors may appoint a temporary replacement to serve until the next Annual Meeting of the members.

**Section 3. President.** The President shall be the chief elected officer of the DRBF, serve as Chair of the Executive Board of Directors and shall preside at all meetings of the Executive Board of Directors. The President shall have, perform and discharge the duties which the Executive Board of Directors may from time to time prescribe, and shall be, ex officio, a member of all standing committees. The President shall have the duty of appointing the chairpersons to lead all committees of the Foundation other than DRBF Region-level committees. When the President or the DRBF are lawfully designated as a Dispute Board Appointing Authority, the President will confer with an ad hoc committee comprised of the President and at least three other members and act in

response to any requests for appointment. In the case of appointments outside the United States, at least two members of the ad hoc committee shall be non-residents of the United States.

**Section 4. President-Elect.** The President-elect shall perform the duties of the President in the absence of the President and shall perform any other duties assigned by the President and shall be deemed the Vice President for purposes of compliance with applicable laws and regulations.

**Section 5. Past President.** The Past President shall assist the President and President-elect in the discharge of their duties, as requested by either.

**Section 6. Secretary/Treasurer.** The Secretary/Treasurer shall perform all acts which legally require the services of a corporate Secretary and shall be responsible for supervising the maintenance of a complete roll of the names and addresses of the Executive Board of Directors and as necessary, general information of the Foundation's entire membership. The Secretary/Treasurer is also responsible for supervising the taking and keeping of minutes of the proceedings of the Executive Board of Directors and meetings of the members of the Foundation and shall perform and discharge the duties and powers of the office as prescribed by the President and the Executive Board of Directors. The Secretary/Treasurer shall also be responsible for all monies and other property of the Foundation and collection of all dues and assessments, subject to the orders and control of the Executive Board of Directors and for correct and accurate accounting of all monies received and disbursed, and for a reporting on the financial condition of the Foundation. The Secretary/Treasurer shall ensure that the books and records of the Foundation are audited in accordance with the provisions of these Bylaws.

## **ARTICLE VII. DRBF REGIONS**

**Section 1.** Subject to the provisions of Article III hereof, when the Executive Board of Directors determines there is a sufficient number of individuals and/or entities within a geographic area that is composed of more than one country to support the purposes and objectives of the DRBF, a representative regional committee within the DRBF (a "DRBF Region") may be established, provided that creation of such a DRBF Region shall not detrimentally impact an existing DRBF Region, as determined by the Executive Board of Directors.

**Section 2.** In the occasion of partnering with, and granting DRBF Region status to, an existing regional organization, the Executive Board of Directors will review existing documents and may authorize an affiliation agreement between the regional organization and the DRBF that is consistent with the laws of the United States of America, the State of Wisconsin (where the DRBF is incorporated) and the laws of any relevant states and/or countries, as the case may be.

**Section 3.** Subject to local law, these Bylaws and the affiliation agreement (if necessary), any DRBF Region may establish its own operating policies and procedures, subject in all cases to approval by the Executive Board of Directors.

**Section 4.** A DRBF Region is a regional committee that represents the DRBF members in its geographic region. As such:

- A. It acts as the liaison between the DRBF Executive Board of Directors and staff and the DRBF members in its region;

- B. It organizes activities intended to make known the work of the DRBF in general, and as appropriate, does so in coordination with the Executive Board of Directors and other DRBF Regions;
- C. It provides services and information, including training, that is responsive to the needs of the DRBF and the members of the DRBF in its region;
- D. It promotes the adoption and implementation of the policies advocated by the DRBF with a view to their adoption in its region;
- E. It oversees its regional elections for representation of its represented membership on the Executive Board of Directors, as provided in Article V of these Bylaws and Foundation policies and procedures.
- F. All DRBF Regions that are not separate legal entities shall at all times be subject to oversight by the Executive Board of Directors.

**Section 5.** Each DRBF Region shall have available an administrative structure to facilitate the DRBF's activities in its region, consistent with DRBF Bylaws, policies and procedures, and as approved by the Executive Board of Directors. Should a DRBF Region no longer be able to meet this condition, the Executive Board of Directors may take such measures as it may deem necessary to manage the region in question or reorganize or reintegrate the region within another DRBF Region as deemed appropriate.

**Section 6.** Each DRBF Region shall set its annual budget with approval from the Executive Board of Directors, so as to enable it to meet its own operational expenses as well as its financial obligations to the DRBF. Except as expressly approved or ratified by the Executive Board of Directors, no DRBF Region shall have any authority or right to create any legal obligation or liability on the part of the DRBF.

**Section 7.** A regional Dispute Board organization that is formed as a distinct legal entity shall communicate to the DRBF its annual balance sheet and statement of income and expenses if requested by the Executive Board of Directors, or if required by an applicable affiliation agreement.

**Section 8.** When a DRBF Region is declared inactive or dissolved or re-integrated, or its affiliation with the DRBF is terminated for any reason, the members represented by such DRBF Region shall remain members of the DRBF.

## **ARTICLE VIII. RESIGNATIONS AND TERMINATION OF MEMBERSHIP OR AFFILIATION**

**Section 1.** Members may terminate their own membership in the DRBF by resignation.

**Section 2.** At the request of a DRBF Region or on its own motion, the Executive Board of Directors of the DRBF may terminate the membership of any member in accordance with the provisions of this Section and pursuant to procedures established by the Executive Board of

Directors. Membership in the Foundation shall be suspended or terminated if a member does not pay all required membership dues, in full, by the due date established by the Executive Board of Directors, pursuant to procedures established by the Executive Board of Directors. The Executive Board of Directors may, by the affirmative vote of three quarters of the members of the Executive Board of Directors at a meeting at which quorum is present, terminate a member's membership for cause after an appropriate hearing. Grounds constituting "cause" shall be determined by the Executive Board of Directors in its sole discretion. Such member shall be given reasonable notice thereof and shall be entitled to a hearing before the Executive Board of Directors at the next regularly scheduled meeting of the Executive Board of Directors.

**Section 3.** Members who have not remitted their dues to the DRBF by the date specified in the membership renewal notice shall automatically lose their good standing with the DRBF and may have their membership terminated in accordance with the provisions of this Article.

**Section 4.** The Executive Board of Directors of the DRBF may terminate the Region status of any DRBF Region provided that in the judgment of three quarters of the votes that may be cast by the Executive Board of Directors present at the relevant meetings of the Executive Board of Directors, such termination of Region status is in the best interests of the DRBF.

## ARTICLE IX. STAFF

**Section 1. Retention of Staff.** In the event the Foundation determines that the scope of its activities require the employment of professional staff, such decision shall be made by the Executive Board of Directors and the persons so hired shall work under the guidance and subject to the direction of the Executive Board of Directors.

## ARTICLE X. COMMITTEES

**Section 1. Advisory Committees.** The Executive Board of Directors may, from time to time, create such advisory committees as it may deem necessary or appropriate. The roles of such advisory committees will be advisory in nature, and their actions shall, in all cases, be subject to the ultimate authority of the Executive Board of Directors. It shall be the duty of the President to appoint chairpersons of such advisory committees of the Foundation.

**Section 2. Committee Rules.** Each advisory committee shall adopt its own rules and procedures consistent with these Bylaws and with the Articles of Incorporation of the Foundation. The chairperson of each advisory committee shall select the other members of the advisory committee.

**Section 3. Committees of the Board.** The Executive Board of Directors may, by resolution, designate one or more "committees of the board." These committees shall consist of three or more Executive Board members selected by the Executive Board of Directors. To the extent provided by resolution of the Executive Board of Directors, such committees may exercise the powers of the board with respect to the management of the affairs of the Foundation, when the Executive Board of Directors is not meeting, except for electing officers or the filling of vacancies on the Executive Board of Directors or on committees of the board.



## ARTICLE XI. FINANCES

The Foundation shall not be operated for profit. Consistent with that position, the following provisions shall govern the financial affairs of the Foundation and the Executive Board of Directors.

**Section 1. Fiscal Period.** The fiscal year of the Foundation shall commence on January 1 and shall end on December 31 of each year.

**Section 2. Bonding.** The Foundation may furnish trust and/or surety bonds on all staff persons and officers who are involved in the Foundation's financial activities. The need for and the amount of such bonds shall be determined by the Executive Board of Directors.

**Section 3. Annual Budget.** The annual budget for the following fiscal year shall be prepared by coordination between the Executive Board of Directors and each DRBF Region of the Foundation. Each DRBF Region shall prepare a proposed budget governing their regional expenses and activities, to be submitted to the Secretary/Treasurer of the Foundation at least 60 days before the end of the calendar year preceding the budget year. The portions of the annual budget proposed by the DRBF Regions are subject in all cases to final approval by the Executive Board of Directors. The annual budget shall not project expenses in excess of income unless the Executive Board of Directors, in its sole discretion, determines that it would be in the best interest of the Foundation to utilize reserves to supplement the annual budget for a specific purpose or to accomplish a specific task. A copy of the annual budget shall be available to any member in good standing upon written request, but copies of the annual budget furnished to members may be redacted to exclude confidential or otherwise sensitive financial information, subject to each member's statutory record inspection rights under Wis. Stat. § 181.1602. When income exceeds annual expenditures, the balance shall be carried over to reserves. During the year, requests for expenditures not part of the annual budget shall be submitted to the Executive Board of Directors for approval, and such requests may be approved provided the expenditures do not exceed funds necessary for the continued operation of the Foundation.

**Section 4. Audit.** The accounts of the Foundation shall be examined not less frequently than annually by a certified public accountant selected by the Executive Board of Directors. The examination of the accounts may constitute a compilation or review at the discretion of the Executive Board of Directors and subject to the cost of such services. The certified public accountant so selected shall provide a written report to the Executive Board of Directors.

## ARTICLE XII. AMENDMENT TO THE BYLAWS

**Section 1. Amendment by Members.** Amendments to the Bylaws may be proposed by any member in good standing or by the Executive Board of Directors. Such amendments shall be submitted in writing not later than sixty days prior to the Annual Meeting and shall be submitted to the Executive Board of Directors. Notice of any proposed change, after review for format by the Executive Board of Directors, must be sent in writing to the membership not less than thirty days prior to the Annual Meeting. The notice shall include the proposed amendment, the reasons for the recommended change, and the recommendation of the Executive Board of Directors for or against the proposed amendment. Amendments to the Bylaws require the affirmative vote of two-

thirds of the members voting. Amendments will become effective immediately upon adoption unless the amendment itself otherwise provides.

**Section 2. Prohibited Amendments.** No amendment shall be considered which would permit the Foundation to be operated for profit or for the enrichment of any person. No amendment shall be considered which is in conflict with the Articles of Incorporation.

### ARTICLE XIII. INDEMNIFICATION

**Section 1. Limits of Indemnification.** To the fullest extent permitted by law, and subject to the terms and limitations covered in the Foundation's insurance policy, the Foundation shall indemnify all Executive Board members, officers, employees and/or agents of the Foundation against expenses actually and reasonably incurred by them in connection with the defense of any civil action, suit or proceeding in which they are made or threatened to be made a party by reason of having been an Executive Board member, officer, employee or agent; except in relation to matters as to which they are adjudged in the action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of their duties for the Foundation, in which they received an improper personal benefit.

### ARTICLE XIV. GENERAL PROVISIONS

**Section 1. Financial Obligations.** All notes, drafts, contracts or other obligations of the Foundation shall be signed in the Foundation's behalf by the President or such other person as is designated by the Executive Board of Directors. The Foundation shall establish and maintain an appropriate account in an insured financial institution to conduct financial transactions for the Foundation.

**Section 2. Corporate Seal.** The seal of the Foundation shall bear the words "corporate seal," the name of the Foundation and the year of its organization. The seal shall be kept in the custody of the Secretary/Treasurer, or other designated individual, and shall be affixed to documents as required by law.