

BY-LAWS
of the
PIPE LINE CONTRACTORS ASSOCIATION
(Rev. February 14, 2018)

ARTICLE I.
Name and Location

Section 1. **Name.** The name of this Association shall be Pipe Line Contractors Association.

Section 2. **Location.** The principal headquarters of the Association shall be in the City of Dallas, Dallas County, Texas or other location as may be determined by a majority vote of the Board of Directors.

ARTICLE II.
Purposes

The purposes of this Association are as follows:

- (a) To make membership in the Association a reasonable assurance to the public of the skill, integrity and responsibility of its members.
- (b) To maintain the standards of the pipeline contracting business at the level necessitated by its professional character and to establish members of the Association in the public mind as contractors who fulfill obligations in good faith.
- (c) To promote more cordial and cooperative relations among pipeline contractors and between pipeline contractors and those with whom they deal or have contact.
- (d) To encourage efficiency among pipeline contractors and their employees.
- (e) To seek correction of injurious, discriminatory or unfair business methods practiced by or against pipeline contractors.
- (f) To develop and promote best practices within the industry to provide safe working

conditions and prevent the occurrence of injury and death to all individuals working in the pipeline contracting industry.

ARTICLE III. Qualifications of Membership

Section 1. There shall be three types of members, namely, Regular, Associate, and Honorary.

Section 2. **Regular Members.** Any contracting company signatory to the applicable National Pipe Line Agreements¹, which has had at least two years of experience in the construction or relocation of cross-country pipelines, underground cable or any segments thereof transporting coal, gas, oil, water or other transportable materials, vapors or liquids, and which has established a reputation for skill, integrity and responsibility, may apply for Regular Membership in the Association.

(a) Applications for membership shall be reviewed by the Board of Directors. The Board's review shall begin at the next meeting of the Board, or other appropriate time, as determined by the Board in its discretion and such review shall proceed in the manner deemed appropriate by the Board.

(b) The Board of Directors, in its discretion, may for good reason waive any of the above provisions.

Section 3. **Associate Members.** Any individual, firm, or corporation engaged in the business of manufacturing, selling, leasing or otherwise furnishing materials, supplies, services, insurance, bonds or equipment for the construction or maintenance of pipe lines may apply for Associate Membership in this Association.

(a) Applications for membership shall be reviewed by the Board of Directors. The Board's review shall begin at the next meeting of the Board, or other appropriate time, as determined by the Board in its discretion and such review shall proceed in the manner deemed appropriate by the Board.

(b) The Board of Directors, in its discretion, may for good reason waive any of the

¹ (National Pipe Line Agreements shall mean those Collective Bargaining Agreements negotiated between the Pipe Line Contractors Association and The United Association of Journeymen And Apprentices Of The Plumbing And Pipefitting Industry Of The United States and Canada; The Laborers International Union of North America; The International Union Of Operating Engineers; and The International Brotherhood Of Teamsters, Chauffeurs, Warehousemen and Helpers Of America.)

above provisions.

Section 4. **Honorary Members.** Any individual, firm or corporation who has performed distinguished service for the pipe line industry may become an Honorary Member provided that individual, firm or corporation receives no more than one negative vote cast by secret ballot by those Directors, constituting a quorum under the By-laws of the Association, who are in attendance at the meeting.

ARTICLE IV. Officers, Directors and Committees

A. REGULAR MEMBER REPRESENTATION

Only Owners or Executive Officers of Regular Members shall be eligible for election to the Board of Directors or appointment to the Labor Committee. Such Representatives of any Regular Member shall be eligible for election to the Board of Directors, but only such Representatives of Regular Members who acknowledge to the Board of Directors that they will work under the National Pipe Line Agreements shall be eligible for appointment to the Labor Committee. Each Regular Member shall from time to time designate one representative who shall be eligible for election to the Board of Directors and one or more representatives who shall be eligible for appointment to the Labor Committee, but no more than one representative shall be eligible to serve on the Labor Committee at any one time. Such designation shall be in writing and filed in the Association's office.

B. BOARD OF DIRECTORS

Section 1. **Composition.** The affairs and management of the Association shall be conducted by a Board of Directors composed of representatives of thirteen (13) Regular Member firms, all of whom shall be either their firms' officially designated representatives or eligible Past Presidents, and they may serve only so long as they are so designated or eligible. In the event that a Regular Member firm has notified the Association that it intends to change its official designated representative for the following year, the individual designated as the future representative shall be considered eligible for nomination to the Board of Directors. Additionally, if the Regular Member firm's current designated representative is serving on the Board, the current designated representative shall remain eligible to serve on the Board for the remainder of his term notwithstanding the notice of a future change to the firm's designated representative. An eligible Past President is one who is associated with a Regular Member firm and actively engaged in the pipe line construction industry. The composition of the Board of Directors shall include among its thirteen (13) members the two immediate Past Presidents if they are eligible. Section 2. **Term of Office for Directors.** The term of office for each elected Director shall be two (2) years. The term of office for the President shall be the year he serves as President and the two succeeding years if he remains eligible. The term of office for the thirteenth (13th) Director, who shall be elected by the

newly elected Board of Directors, shall be one (1) year.

Section 3. **Election of Directors.** Directors shall be elected by secret ballot at the annual convention each year. The newly elected Board of Directors shall on the same date elect the thirteenth member of the Board of Directors who shall be the designated representative of a Regular Member or an eligible Past President.

In no event shall more than one representative from each Regular Member firm serve on the Board of Directors at any one time.

Section 4. **Vacancies.** If a vacancy shall occur on the Board of Directors through death, disability or resignation, the remaining members of the Board shall appoint his successor to serve for the remainder of the term for which he was elected.

Section 5. **Duties of the Board of Directors.** The government and management of the affairs of the Association shall be conducted by the Board of Directors subject to the approval or disapproval of the Regular Members in convention assembled. In order to disapprove or revoke any action taken by the Board of Directors, a two-thirds vote of the Regular Membership of the Association shall be necessary. The Board may make such rules necessary for its own government, for its employees and for the Association, provided such rules are not in conflict with these By-Laws. The annual report of the affairs of the Association shall be made annually to the Regular Membership.

Section 6. **Meetings of the Board of Directors.** The Board of Directors shall meet each year during the annual convention of the Association and may meet at any time or place thereafter, upon call by the President of the Association, or upon the written request of four members of the Board of Directors. The Board of Directors may also act by correspondence in the following manner: The President of the Association may submit a proposal in writing to each member of the Board of Directors and request a written vote on said proposal. The said written votes may then be tabulated by the Executive Director and if sufficient votes are received to constitute a quorum, the votes shall be considered the official action of the Board of Directors on the submitted proposal.

Section 7. **Quorum.** At all meetings of the Board of Directors a quorum shall consist of seven members thereof.

C. OFFICERS

Section 1. **Composition.** The officers of the Association shall consist of a President, a 1st Vice-President, a 2nd Vice-President, a Treasurer, the Managing Director, the Executive Director, and the General Counsel. The President, the two Vice-Presidents, and the Treasurer shall be elected by vote of the Regular Members. The Managing Director, the Executive Director, and the General Counsel of the Association shall be employed by the Board of Directors, their

compensation to be determined by the Board.

Section 2. **Term of Office.** Officers of the Association shall serve a term of one year or until their successors are elected.

Section 3. **Duties of the President and Vice-Presidents.** The President of the Association shall preside at all meetings of the Board of Directors and of the membership and shall perform such other duties incidental to his office, or which are delegated to him by the Board of Directors. In the event of the death, disability or resignation of the President, the 1st Vice-President shall succeed as President and the 2nd Vice-President shall succeed as 1st Vice-President.

Section 4. **Duties of the Treasurer.** The Treasurer of the Association shall keep account of all transactions pertaining to his office and make a full report thereof at each annual convention of the Association. The usual duties pertaining to the office of Treasurer shall be performed by the Managing Director, provided, however, that the Treasurer may require such data or reports deemed necessary by him from the Managing Director in order to faithfully perform the duties of his office.

Section 5. **Duties of the Managing Director, the Executive Director, and the General Counsel.** The Managing Director, the Executive Director, and the General Counsel of the Association shall be employed by the Association for terms agreed upon by them with the Board of Directors. The Managing Director will be responsible for managing the affairs of the Association subject to the instructions of the Board of Directors. The Executive Director of the Association will be subject to the instructions of the Managing Director, shall work under his direction, and shall also keep a record of all proceedings of the Association, including the annual convention and the meetings of the Board of Directors. The General Counsel will be an advisor and consultant to the Board of Directors.

D. COMMITTEES

Section 1. The President of the Association, subject to the approval of a majority of the Board of Directors, shall appoint from time to time such committees as he may deem appropriate.

Section 2. The Labor Committee shall be established on a permanent basis. The Committee shall consist of from five to thirteen members who shall be appointed each year by the President for a period of one year, subject to reappointment. Such appointments will be subject to the approval of the Board of Directors.

(a) Consistent with the provisions of Article IV, Paragraph A, all members of the Labor Committee must agree to be bound by any and all labor negotiations undertaken by the Labor Committee during the member's tenure and must remain a member of the Labor Committee for the full duration of any such labor negotiations. All Labor Committee members must also acknowledge that they will work under the applicable National Pipe Line Agreements negotiated by

the Labor Committee.

(b) The Chairman, or co-Chairmen, of the Labor committee, if not a member of the Board of Directors, will attend all Board of Director's meetings and be involved in all discussions concerning labor matters as well as other matters as requested by the President.

Section 3. Quorum. At all meetings of any PLCA Committee, a quorum shall consist of a bare majority of the Committee Members, unless specified differently in these By-Laws.

E. NOMINATION AND ELECTION OF OFFICERS AND BOARD OF DIRECTORS

Section 1. Officers and Directors of the Association shall be nominated by a Nominating Committee consisting of six members. The Nominating Committee shall be determined in the following manner: The Regular Members, at the annual convention each year, shall elect four Past Presidents who are associated with a Regular Member firm and actively engaged in the pipe line construction industry, to serve on the Nominating Committee; however, no more than one Past President from any one Regular Member company shall serve on the Nominating Committee at any one time. If two Past Presidents from the same Regular Member company are involved, only the one receiving the highest vote total shall be elected. The Immediate Past President of the Association each year shall automatically become the fifth member of the Nominating Committee. The sixth member of the Nominating Committee shall be the current President of the Association.

The Managing Director and/or the Executive Director of the Association shall be present at each meeting of the Nominating Committee.

Section 2. A Nominating Committee, as determined by the procedure set forth in Section 1 hereinabove, shall serve for one (1) year or until the next election of Officers and Directors. The Nominating Committee shall, before the next meeting at which Officers and Directors are to be elected, nominate one (1) candidate for each of the following offices: President, 1st Vice-President, 2nd Vice-President and Treasurer. The Nominating Committee shall also nominate twice as many candidates as are necessary to be elected to the Board of Directors in order to make the full complement of the Board. The Nominating Committee shall list on the ballot the name of the retiring President and the immediate Past President who shall be on the Board of Directors for a two (2) and one (1) year term respectively.

Section 3. There shall be no restriction against the Nominating Committee's nominating members of said committee as candidates.

Section 4. Officers of the Association shall also be Directors and in the event those nominated for one of the offices of the Association are not already Directors, the Nominating Committee shall nominate only as many candidates for Directors as are necessary to make the full

complement of the Board.

Section 5. The Nominating Committee shall announce its nominations at the annual business meeting of the Regular Members of the Association during the convention, and ballots will be distributed to Regular Members, listing the candidates nominated by the Nominating Committee. Any Regular Member of the Association may nominate another candidate or candidates for a Director position, other than those named by the Nominating Committee, provided two other Regular Members second such nominations. In such event, any individual nominated by this procedure shall also be listed on the ballot as a candidate for Director.

Section 6. The Regular Members shall then vote, each Regular Member firm being entitled to one vote for each office, and the candidates for Director receiving the highest number of votes shall be elected Directors. Those receiving the highest number of votes for each office shall be elected President, 1st Vice-President, 2nd Vice-President and Treasurer.

Section 7. At the annual convention, the President shall appoint an election committee, composed of three Regular Members in good standing who are not members of the Nominating Committee, and this committee shall tabulate the ballots and immediately thereafter report the results of the tabulation to the convention.

ARTICLE V. Meetings of the Membership

Section 1. **Annual Convention.** An annual convention of the Association shall be held at a date and place to be determined either by the previous convention or by the Board of Directors.

Section 2. **Special Meetings.** Special meetings of the membership may be called at any time by the President of the Association or upon the written request of five Regular Members in good standing.

Section 3. **Quorum.** At all meetings of the Regular Members of the Association, a quorum for the transaction of business shall consist of a bare majority of the total membership.

Section 4. **Voting.** Each Regular Member of the Association shall be entitled to one vote. In the case of a partnership or corporation, a representative of such firm may cast the vote for such member. Associate and Honorary Members shall not be entitled to a vote, but may discuss any issue before the meeting when called upon by the President.

ARTICLE VI. New Members

Section 1. **Applications.** Applications for membership in the Association shall be submitted by the applicants in writing to the Executive Director. The applications shall be submitted on such form or forms decided upon by the Board of Directors. In the case of Honorary Members of the Association, no application shall be necessary and such members shall be elected in accordance with Article III, Section 4.

Section 2. **Investigation of Applications.** Upon receipt of an application for Regular Membership, the Executive Director shall report this fact to the President and the Board of Directors and shall thereafter make such investigations as may be appropriate to determine the qualifications of the applicant.

Section 3. **Acceptance.** Upon completing the investigation, the Executive Director shall report the results thereof to the Board of Directors, whereupon such applications for membership shall be considered by the Board of Directors in accordance with the provisions of Article III, Section 2. A majority vote of the Board of Directors shall be sufficient to approve an application for membership.

ARTICLE VII. Notification of Change in Membership

Section 1. **Resignation.** Any member may withdraw or resign from the Association at any time; provided however, for members serving on the Labor Committee, continued, active membership in the Association may be required in order to comply with the requirements of Article 4(D)(2)(a).

Section 2. **Change in Status of Member.** In the event an individual, partnership or corporation holding a membership in the Association shall make a change in the business title or firm name, then such member shall at once notify the Executive Director and if satisfactory assurance is given to the Board of Directors that a change in the membership of the firm has not taken place, then the new name shall be entered in the records of the Association without affecting the standing of the member.

Any change in the majority members of a partnership, or in the principle executive officers of a corporation, or in the majority ownership of a firm, shall require a review of such firm's membership in this Association by the Board of Directors. The Board of Directors shall determine whether to continue the membership of the firm or whether membership shall be terminated. If membership is terminated, the new members of the partnership, or the new officers of the corporation, or the new owners of the firm, may again become members of the Association by making application therefor and such application shall have priority consideration.

If any Regular or Associate Member of the Association retires from the pipe line contracting business or becomes insolvent, his membership shall cease.

Section 3. **Expulsion.** Any Regular Member accused in writing by another member of improper practices or acts injurious to the interests of this Association shall have an opportunity to answer said charges in writing and both arguments shall be submitted to the Board of Directors for a decision. A two-thirds majority of the Board of Directors shall be necessary to suspend or expel a member of the Association. If said member appeals from the decision of the Board of Directors to the Regular Membership as a whole, a two-thirds vote of the Regular Members shall be required to nullify any action taken by the Board of Directors.

Section 4. **Reinstatement.** If the membership of any Regular Member is terminated for any reason, application for reinstatement must be made in the same manner as an application for new membership. At the time such application for reinstatement is made, such applicant shall also tender minimum dues for the year or years during which the applicant was active in the pipe line industry, but not a member; provided, however, that the Board of Directors shall have authority to waive or modify such requirement.

ARTICLE VIII. Use of Seal or Emblem

Only Regular Members of the Association shall be entitled to the use of the seal or emblem of the Association. The Association retains the absolute right to control any use, inspect any use, and terminate any use at any time at the Association's discretion.

ARTICLE IX. Dues (Eff. 1-1-17)

Section 1. **Dues for Regular Members.** The annual minimum dues for Regular Members shall be \$5,000.00 and maximum dues shall be \$25,000.00. Dues shall be based upon the gross amount of actual work performed by each Regular Member during each calendar year.

A. The annual minimum dues of \$5,000.00 shall be based upon a gross amount of actual work performed anywhere in the world up to and including the first \$4,000,000.00.

B. Additional dues up to a maximum of \$25,000.00 on a volume of \$100,000,000.00 and over shall be based on actual work performed within the United States during each calendar year as reflected in the schedule set out below.

C. If a Regular Member performs distribution work on which dues are paid to the Distribution Contractors Association, then the volume of distribution work may be deducted from such Regular Member's total volume in computing the dues to be paid to this Association.

D. Dues schedule effective January 1, 2017:

Volume of work performed	Dues
0 - \$4,000,000	\$ 5,000
\$ 4,000,000 - \$ 8,000,000	6,500
\$8,000,000 - \$10,000,000	8,000
\$10,000,000 - \$12,000,000	9,500
\$12,000,000 - \$15,000,000	11,000
\$15,000,000 - \$20,000,000	13,000
\$20,000,000 - \$30,000,000	15,000
\$30,000,000 - \$40,000,000	17,000
\$40,000,000 - \$50,000,000	19,000
\$50,000,000 - \$75,000,000	21,000
\$75,000,000 - \$100,000,000	23,500
\$100,000,000 and over	26,000

No dues in addition to the minimum for work performed outside the U.S. shall be payable.

Section 2. **Gross Amount of Actual Work.** The term "gross amount of actual work" as used in computing the volume of work on which dues are paid is further defined as follows:

- A. All types of pipe line construction and underground cable work shall be included, such as gathering systems, river crossings, take-up and reconditioning transmission lines, etc.
- B. In joint ventures, each venturer shall pay dues based only on his part of the volume.
- C. In cost plus contracts, the total reimbursable and fee shall be the volume on which dues are paid.
- D. In turnkey jobs where the contractor furnishes materials, the value of the materials may be deducted from the gross volume on which dues are paid.
- E. Receipts from sales of pipe need not be included in the volume of work on which dues are paid.
- F. Where part of the work is sub-contracted, both the prime contractor and the sub-contractors shall include the volume of the sub-contract in computing dues to be paid.

Section 3. **Dues for Associate Members. (Eff. on 1-1-17).** The annual dues for Associate Members shall be \$5,000.00.

Section 4. **Assessments.** Such assessments as are decided upon by a majority of the Board of Directors for specific purposes shall be paid by the membership.

Section 5. **Time for Payment of Dues.** The minimum dues of Regular Members, and the annual dues for Associate Members, shall be due and payable February 1st of each current calendar year. The remaining dues payable by Regular Members may be paid at any time during such calendar year when such members shall have determined the amount of their gross business during such calendar year; provided, however, that such remaining dues must be paid before the first day of the annual convention following such calendar year.

Section 6. **Non-Payment of Dues.** Failure on the part of any Regular or Associate Member to pay annual dues or assessments in accordance with Sections 4 and 5 hereinabove shall result in termination of membership; provided, however, that the Board of Directors may, in its discretion, extend the time for payment of such dues or assessments upon proper application being made therefor.

ARTICLE X. Amendments

The By-Laws of the Association may be amended at any time upon a two-thirds majority vote of the Board of Directors.

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