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|  | MADISON AREA BUILDERS ASSOCIATION  BOARD OF DIRECTORS  MEMBERSHIP APPLICATION REVIEW |

The Board of Directors has received the Application of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to be a Member of the Madison Area Builders Association (MABA).

Acceptance of an application for membership shall be in the sole discretion of the Board of Directors, which shall be exercised in the best interests of the Association as understood and determined by the Board of Directors and based upon a majority vote of the directors present and voting at the meeting at which the application is considered. See Bylaws, Article IV, Section 2(A).

Prior to action on the application, the Board of Directors may (but does not have to) hold a hearing on the application if it deems that appropriate.

The Board of Directors has by majority vote:

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|  | Accepted the application for membership. |
|  | Disapproved the application of membership. |

If the Board of Directors disapproved the application of membership, provide the grounds for disapproval (examples on page 2):

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**GROUNDS FOR DISAPPROVAL OF MEMBERSHIP**

The decision to accept or deny an application for membership is in the sole discretion of the Board of Directors, which shall be exercised in the best interest of the Association as understood and determined by the Board of Directors. The grounds for disapproving an application for membership are set forth in the Bylaws.

The Grounds include, but are not limited to: (1) Failure to meet past or present financial obligations to the Association; (2) A pattern of conduct, which violated the Bylaws of the Association; (3) A pattern of conduct, which violates the rules, regulations, code of ethics (see next page), or policies of the Association; (4) Unsatisfactory letters of reference or credit history\* (Builder applicants); (5) Criminal behavior involving a crime related to or against members of the building industry or which evidences a lack of moral character or business honesty.\*

The Board of Directors can disapprove of an application for grounds not set forth above; provided, however, that the decision has to be based on facts that support reasons that are in the best interest of the Association, and shall not be based on any prohibited factor.

**PROHIBITED FACTORS:**

**ANTICOMPETITIVE PRACTICES**. MABA supports the system of free enterprise and open competition. Monopolies or any kind of price or wage fixing, are detrimental to the system of free enterprise. Unfair business practices are practices that are likely to reduce competition and lead to higher prices, reduce quality or levels of service, or less innovation. Anticompetitive practices include activities like [price fixing](http://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/dealings-competitors/price-fixing), group boycotts, and exclusive dealing contracts or the application of trade association rules to bar competitors. THE BOARD OF DIRECTORS SHALL NOT DISAPPROVE ANY APPLICATION ON ANY BASIS THAT WOULD BE AN UNFAIR OR ANTICOMPETITIVE BUSINESS PRACTICE.

**EQUAL OPPORTUNITY.** In reaching its decision as to any membership application, the Board of Directors shall not deny an application on the basis of sex, race, color, creed, disability, sexual orientation, national origin or ancestry.

\*If the basis of disapproval is either credit history or “criminal behavior,” check with legal counsel before making final decision.

**CODE OF ETHICS***Bylaws, Article III*

The members of the Association shall subscribe to the following Code of Ethics:

* Members shall conduct business affairs with professionalism and skill.
* Honesty is our guiding policy.
* All housing shall be built to meet or exceed the minimum standards of the industry as defined by state and local codes.
* Members shall comply with both the spirit and letter of business contracts, meet all financial obligations in good faith, and manage employees with fairness and honor.
* Members shall not obtain any business through fraudulent means, knowing acts of omission or by use of implications unwarranted by fact or reasonable probability.
* Members shall not perform or cause to be performed any act which could reflect discredit or disrepute on any part of the building industry and/or the Association.
* Members obtaining construction payouts shall promptly pay creditors and not use the funds for other purposes.
* Members shall support and abide by the decisions of the Board of Directors in promoting and enforcing this Code of Ethics.

Members assume the responsibilities of this Code of Ethics freely and solemnly and are mindful that these responsibilities are a part of their obligation as members of the Madison Area Builders Association.