

HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC.

CONSTITUTION AND BY-LAWS OF THE "HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC."

ARTICLE I

This Association shall be known as "HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC."

ARTICLE II

This Association shall be incorporated under the Non-Profit Corporation Law of the State of Tennessee.

ARTICLE III

The objectives of this Association are: 1) to promote better relations between Realtors, public organizations, their agents, and the general public; 2) to maintain high professional standards, in the conduct of work; 3) to combat unfair practices; 4) to encourage efficiency among all our inspectors; 5) to encourage those methods of contracting for work - which relieve inspectors of improper risks; 6) to encourage sound businesslike methods tending to raise the standards of all inspectors generally in the business world; 7) to strive for harmonious and economically justifiable relations with employees; 8) to cooperate with other associations of its type; 9) and promote continuing education for the membership and industry.

ARTICLE IV

Scope of Activities

The scope of activities of the Association and its influence and interest shall, ordinarily, unless formally undertaken and ratified, be limited to The Great State of Tennessee.

ARTICLE V

Membership

Section 1. Members. Any individual actively engaged in the home inspection business having a permanently established business in the area served by the Association shall be entitled to apply for membership as a member of this Association, subject to the provisions for admission hereinafter set forth. Any individual who has an "inactive" license status with the State of Tennessee may become an Associate member of this Association subject to the provisions hereinafter set forth.

Section 2. Application for Membership. Any individual desiring to become a member of this Association shall make application on a form supplied by this Association. The application shall contain an agreement binding the applicant, if accepted to membership in this Association, to be governed by its Constitution and By-Laws and all amendments thereto; to obey and comply with all lawful agreements, decisions, orders, rules and regulations of this Association; and to pay all dues and assessments provided for and levied pursuant to these by-laws.

Section 3. Duties of Membership Committee. It shall be the duty of the Membership Committee to receive applications for membership and examine the level of membership requested and qualifications stated. If the applicant is qualified and has provided the required documentation, the membership committee shall approve individuals for membership. Any applicant that is rejected may submit a written appeal to the Board of Directors. This appeal shall be read at the next scheduled meeting of the Board of Directors.

Section 4. Qualifications of the Applicant. The Association shall consider application for membership in the Association from individuals providing the following conditions are satisfactorily met.

- A. The applicant is licensed as a home inspector by the State of Tennessee and currently doing business in the State of Tennessee.
- B. The applicant must have proof of General Liability and Errors and Omissions insurance.
- C. Specific requirements for the available levels of membership are listed in Article XIII.

Or for an Associate member applicant (inactive)

- D. The applicant is listed as “inactive” by the State of Tennessee and currently not doing business as a home inspector in the State of Tennessee.

Section 5. Approval of Applicant. The Membership Committee has the authority to accept or reject the application for membership. The Board of Directors shall review any appeals submitted by applicants that are rejected at their next scheduled meeting. Applicants will be notified in writing of the findings of the Board of Directors, which shall be final.

Section 6. Initiation Fees and Dues. Upon submission of application, and prior to accepting applicant as a member, the applicant shall pay to the Association dues and fees that are applicable at the time of application.

Section 7. Resignation from Membership. Any member may resign from membership in this Association by delivering to the President, Secretary or Treasurer of the Association a notice, in writing, of such intention to resign thirty (30) days in advance of the effective date of resignation; provided that, at the date of such notice, said member is not in arrears on dues or any other monies owed to this Association; and further provided that such member shall remain subject to any and all contractual obligations incurred while a member of the Association, and provided further that the membership shall vote acceptance of resignation with or without prejudice.

Section 8. Withdrawal from Membership. Any member of the Association who discontinues the business of home inspections and/or becomes employed by another individual, firm or corporation, not engaged in home inspections shall be considered as having withdrawn from the Association and shall be furnished with a letter of Withdrawal upon payment of amount due the Association. Should the withdrawn member desire reinstatement, subject to state qualifications of the Constitution and By-Laws, said person not having committed act or acts injurious to the Association, he shall be reinstated upon the payment of one year's dues at rates in effect at the time of reinstatement.

Section 9. Reinstatement of Members. Any person or persons, who sever their connections with the Association for any reason, except by withdrawal, may be reinstated, by paying indebtedness upon the books of the Association, in addition to a new initiation fee. Any member reinstated by paying all past due indebtedness to the date of dropping, suspension or expulsion, and in addition must pay the required initiation fee.

Section 10. Absentee or Proxy Vote. A membership shall stand in the name of the individual. Each member may designate in writing one individual known as "designee" who shall represent the member at membership meetings with full power and authority to vote and act on behalf of such member. A member may at any time revoke the designation of such member's designee and make a new designation. Any action taken at a regular or special meeting of members, duly called and convened, shall be binding upon all members, whether any designee fulfills such qualifications and its decision shall be binding on all persons.

Section 11. Voting. Each member in good standing with this Association shall be entitled to one vote on each matter submitted to a vote of the members. The "designee" present at the meeting can cast votes.

Section 12. Duties of Members.

- A) All members of the Association shall review a copy of the Constitution and By-Laws. It shall be the duty of each member to abide by the Constitution and By-Laws and all rules of the Association.
- B) Members are required to pay dues in accordance with the rules of the Association.
- C) Members of the Association are required to notify the Secretary of any change of address, in writing, within ten (10) days of such change of address
- D) Members are required, as a minimum, to perform inspections in accordance with the Standards of Practice and follow the Code of Ethics set forth by the rules and regulations of the State of Tennessee.

Section 13. Enforcement of Duties.

- A) Any member charged with violation of the Constitution and By-Laws or any ruling of this Association shall be notified in writing of the charges brought; said notice to be mailed to such member at his last known address, and "the notice" shall set a date of trial of such charges before the Board of Directors. Notice of any charge must be mailed at least five (5) days prior to any trial. In the trial, action taken shall be by a majority vote of the members of the Board.

- B) Trial of the charged member or members shall be held before the Board of Directors and the Board shall make findings and report to the Association said findings along with its recommendations for action. If a majority of the Association concur with the findings of the Board of Directors as to the guilt of the member, then the member may be censured, fined, suspended or expelled by an affirmative vote of two-thirds of the members present.
- C) In the event a member is found guilty of violating any part of the Constitution and By-Laws or any special rules adopted and a fine is imposed, the amount of the fine is left to the discretion of the Board of Directors, subject to confirmation of the Association. All violations of any nature must first come before the Board of Directors for recommendations to the Association.
- D) Yearly dues are payable between November 1 and December 31 for the upcoming year. New member applicants joining after January shall pay a prorated yearly due. Every member having dues in arrears shall have no vote on any matter coming before the Association, nor shall he be eligible to hold office until the delinquent amount is paid, and at the discretion of the Board of Directors, such delinquent member may be suspended or expelled from the Association. No trial shall be necessary for action against such a delinquent member.
- E) When a member is suspended or expelled for non-payment of dues and desires to be reinstated in the Association, he shall first pay all dues owed to the Association by him at the time of his suspension, plus dues for the current year plus penalties, as voted by the Board of Directors and approved by the Membership.

ARTICLE VI

Administration

The officers of the Association shall consist of a President, a Vice-President, Secretary, Treasurer and three (3) Directors elected from the general membership of the Association.

ARTICLE VII

Election of Officers

Section 1. The Officers and Directors shall be chosen annually by ballot at the first regular summer meeting. The person or persons, as the case may be, receiving a majority of the votes rightfully cast, shall be declared elected. No member of the Association shall be eligible to hold office unless he is in good standing on the day of nomination, and has been a member of the Association for a period of six (6) months, and must be present at the time of his nomination, unless he shall have filed with the Secretary a reasonable excuse for his absence. The foregoing rules will also apply to the nomination of delegates to State conventions. The Officers and (3) Directors shall serve for a period of one (1) year.

Section 2: Any Officer, Director, or a member of a Standing Committee of the Association absenting himself for three (3) meetings in succession, except in the case of illness or other valid reason, shall have his position declared vacant by the Board of Directors and filled by appointment of the President with the approval of a majority of the Board. The requirement for waiting for three (3) meetings in succession to be missed prior to being declared vacant is waived in the event a member becomes incapable of performing their duties.

ARTICLE VIII

Officer's Duties

President: The President shall have general management of the Association, subject to the Constitution and By-Laws.

He shall preside at all meetings of the Association, appoint all committees not otherwise provided for, see that the Constitution and By-Laws are enforced and generally perform such duties as his position demands.

The President shall have the power to appoint in his discretion any committee between regular meetings he deems necessary for the benefit of the Association, reporting same at the next regular meeting.

Vice-President: During the absence or disability of the President, the Vice-President shall have similar duties and powers.

Secretary: The Secretary shall be responsible for the keeping of the minutes of each meeting, any correspondence of the Association, and any records of attendance, and any other matters concerning the day-to-day functions of the Association.

Treasurer: The Treasurer shall be chosen from the membership of a vote as required for the election of the President. The Treasurer shall be responsible for keeping regular books of accounts that are necessary; he shall countersign such instruments as require his signature; and shall perform all duties incidental to this office.

All Officers: To promote the Association throughout the state: To establish chapters of the Association where adequate membership is available, thereby reducing unnecessary travel and hardship upon membership. Area chapters are to operate within the requirements set forth for the state Association.

Board of Directors: The Board of Directors shall be composed of the President, Vice-President, Secretary, Treasurer and three (3) additional members to be elected from the membership of the Association. The Secretary shall serve as Secretary at the Board of Director's meeting. The Board shall have general supervision and authority over the conduct of the affairs of the Association, and its decision and acts shall be final and binding upon the Association unless reversed or suspended by a vote of the Association at the meeting following such action or decision. It shall meet upon the call of its Chairman or two (2) of the members. A quorum of the Board shall compromise not fewer than three (3) of its members. The Board shall elect a Chairman at its first meeting by majority vote.

ARTICLE IX

Standing Committees

The Standing Committees of the Association, each of which shall consist of two (2) or more members besides the President, shall be appointed by the President, unless hereinafter provided, as soon as convenient after the election, and the members of these committees shall continue to serve during the ensuing year until their respective successors have been appointed, unless sooner relieved from service by order of the President or Board of Directors. All Committee Members shall be from its active membership and be in good standing at the time of appointment. In event of a vacancy, the President shall immediately appoint a successor. The Board of Directors shall have power to remove members of committees if they find it expedient. The following shall be Standing Committees:

Marketing Committee: Consisting of two (2) or more members, which shall devise means and ways to grow the membership of the Association and obtain cooperation of other organizations and individuals in the furtherance of Association purposes and objectives.

Education Committee: Consisting of two (2) or more members, who shall obtain speakers and training for Association meetings, document and coordinate approval for continuing education provided through the Association with the appropriate Tennessee State authorities, and "in general" have charge of the planning of Association programs.

Changes and Amendments Committee: Consisting of two (2) or more members, which shall study any proposed changes or amendments to the Constitution and By-Laws and make recommendations to the Association regarding same.

Membership Committee: Consisting of two (2) or more members, this committee shall have the duties set out in Article V, Section 3 of this instrument.

ARTICLE X

Dues

Section 1: The dues of the Association and rules and regulations for reports in connection with computation of dues and payment of same, are established by the board of directors. The initial dues may, however, be determined by the members present at the organization meeting or any subsequent meeting of the Charter Members of the Association, upon three-fourths vote of the Charter Members.

Section 2: The dues and assessments as set up and approved shall be used only for Association expenses, educational funds or other expenses for the good of the Association.

Section 3: All monies of the Association shall be deposited in such bank as shall be designated by the Board of Directors and shall be withdrawn upon such signatures and upon such terms as may be approved by the Board of Directors. However, if the Association has a surplus of funds, these funds may be invested as empowered by the Board of Directors.

Section 4: An annual review of the finances and accounts of the Association shall be made by an entity appointed by the Board of Directors of the Association at the end of each fiscal year.

ARTICLE XI

Association Office

The Association shall have the power to purchase, lease, hold, sell, mortgage or otherwise acquire, or dispose of real or personal property; to enter into, make, perform, or carry out contracts of every kind, with any firm, person, corporation, or association; to do acts necessary and expedient for carrying on any or all of the objects and purposes of the Association not forbidden by its Constitution and By-Laws or the laws of the State of Tennessee, or of the United States, but only through the duly elected officers of the Association.

ARTICLE XII

Association Meetings

Section 1: The regular meetings of the Association shall be held at least semi-annually at the time and place selected by the Association. Special meetings may be called by the President or Directors or at the written request of three (3) members.

Section 2: Meetings of this Association shall be conducted according to parliamentary procedure stated by Robert's Rules of Order.

Section 3: After the President has called the meeting to order, the following order of business should be observed:

1. Secretary's report and reading of minutes.
2. Treasurer's report.
3. Report of standing and special committees.
4. Old and/or unfinished business.
5. New business.
6. Adjournment.

Section 4: At special meetings, the order of business shall be as follows:

1. Roll call.
2. Reading of the call of the meeting.
3. Reading of the minutes of a previous session of the same meeting, if any.
4. Business stated in the notice of the meeting.

ARTICLE XIII

Membership, Certification, Designations, and Affiliates

Section 1. An individual seeking full membership and/or Certification with HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC. shall:

Not act in any capacity of a Real Estate Appraisal or Appraiser, Real Estate Agent or Broker, Closing Agent/Attorney, a Real Estate Title Company or Employee, an Agent or Employee of a Lending Institution, Agency, Contractor or Company for any property transaction that has been or will be inspected by the member ninety days prior to applying for, nor at any time while holding said membership and/or certification.

In addition to the requirements of Article V, meet the requirements for the appropriate level of membership desired as specified in remainder of this Article below.

Section 2. HITA Inspector

All Inspector applicants will join as HITA Inspectors. A HITA Inspector is a Home Inspector licensed by the state of Tennessee and is in the process of fulfilling the requirements of a Certified Home Inspector designated below, but has not yet obtained certification. HITA Inspectors in the Association do not have all privileges granted to Certified Inspectors. This includes, but is not limited to, use of any certified inspectors insignia and/or logos by the Association. A HITA Inspector is not allowed to advertise as a certified member. This privilege is reserved for HITA Certified Inspectors ONLY.

Section 3. HITA Certified Inspector

Perform Home Inspections in accordance with the rules and regulations promulgated by the State of Tennessee without supervision.

Successfully market the Home Inspection Industry by performing at least one-hundred (100) fee paid home inspections, have peer review of a sample of their reports and passing a written exam for certification.

Section 4. HITA Certified Master Inspector

Must successfully meet the requirements of Section 3 (HITA Certified Inspector) above and complete five-hundred (500) fee paid home inspections that meet or exceed standards.

A HITA Certified Master Inspector shall promote the home inspection industry, counsel, encourage and offer guidance to all Members of said Association. A HITA Certified Master Inspector shall always conduct oneself in such a manner as to project honesty and integrity to all.

Section 5: Affiliate Members

Affiliate memberships of the Association do not have any privileges granted to HITA or HITA Certified Memberships. Affiliate memberships are for those individuals who seek to be informed about the home inspection industry and are typically in trades, fields of endeavor or other industries related to real estate. Affiliate members are entitled to receive all correspondence, attend all meetings and training sessions of the association at the same cost levels afforded to HITA or HITA Certified Memberships. Affiliate membership levels and fees shall be set by the Board of Directors.

Section 6. All Certified Inspectors:

Each Inspector is held responsible for the quality of the inspections and resulting reports; said Inspector shall be liable for only the inspections they performed.

Failure to adhere to the requirements set forth herein will result in litigations before HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC. and could result in expulsion from said Association.

Section 7. Continuing Education:

A Continuing Education Program should include every aspect of the "Residential Inspection". The Professional Residential Inspector must be versed in not only the mechanics involved, but also the verbal language, written analysis, and Professional Ethics as required by THE HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC. Successful completion of sixteen (16) hours approved by HITA is required every two (2) years effective September 1992. Thus the following criteria are suggested:

- 1) WHAT TO INSPECT AND WHY?
 - a) DO'S AND DON'T'S
 - b) HEALTH AND SAFETY
 - c) LIABILITIES CREATED DURING INSPECTION

- 2) MECHANICS
 - a) ITEMS ON AN INSPECTION
 - b) OPERATING AND INSPECTING SYSTEMS

- 3) VERBAL REPORTING AND PROFESSIONAL ETHICS
 - a) INTRODUCTION OF ONE'S SELF
 - b) DESCRIPTION OF INSPECTION STYLE
 - c) DURING THE INSPECTION
 - d) REPORTING AT COMPLETION OF INSPECTION

- 4) WRITTEN REPORT OF INSPECTION AND PROFESSIONAL ETHICS
 - a) CONTENTS
 - b) DESCRIPTION OF THE INSPECTION STYLE
 - c) PROTECTING LIABILITIES AFTER THE INSPECTION
 - d) PROFESSIONAL ETHICS OF REPORTING

Section 8. Associate Members:

Associate memberships of the Association do not have any privileges granted to HITA or HITA Certified Memberships. Associate memberships are for those individuals who have an inactive state license and are seeking to obtain continuing education credits. Associate members are entitled to receive all correspondence, attend all meetings and training sessions of the association at the same cost levels afforded to HITA or HITA Certified Memberships. Associate membership levels and fees shall be set by the Board of Directors.

ARTICLE XIV

Amendments

All proposed changes or amendments to the Constitution and By-Laws shall be submitted by three members of the Association and said proposed change will thereupon be referred to the Committee on Changes and Amendments for study and thereafter will make its report to the Association as to whether the Change should be adopted. The change will then be called for a vote and the majority will either reject or adopt the same.

ARTICLE XV

Adoption

The foregoing Constitution and By-Laws having been approved in regular meeting of the Association, by the members of THE HOME INSPECTORS OF TENNESSEE ASSOCIATION, INC. are hereby adopted as the Constitution and By-Law for this Association,

ARTICLE XVI

Official Roll of the Association

Each member of the Association does hereby agree to abide by the Constitution and By-Laws of this Association and all amendments thereto and there shall be an official Copy of the Constitution and By-Laws of this Association, and all members thereto, kept in the custody of the Secretary.