

ALABAMA ROAD BUILDERS ASSOCIATION DUES POLICY

Updated October 1st, 2007

No. 1. When a contract is awarded by the Alabama Department of Transportation to an Association Contractor member, the member will be invoiced for work performed for, or for the benefit of, the Alabama Department of Transportation. Contractor annual dues are \$750 per fiscal year. In addition, contractor members pay .0025 on all ALDOT state contracts awarded to them in the State of Alabama. The member will be invoiced .0025 on the first \$5,000,000.00 for \$12,500 in % dues. The percentage then changes to .0005 on all ALDOT contract amounts from \$5,000,001 – \$20,000,000 for \$7,500 % dues. The third tier is .0002 on ALDOT contract amounts from \$20,000,001 – \$50,000,000 for the final \$6,000 in % dues. No contractor member shall pay in excess of \$26,000 in percentage dues in any one fiscal year.

The date of the award will determine in which fiscal year the job will be invoiced.

No. 1(a) The aggregate contractor member percentage dues are charged to the aggregate producer based on tonnage directed toward ALDOT jobs only. \$750 annual dues per fiscal year plus aggregate tons (A) sold by ARBA Aggregate members to, or destined for ALDOT projects x \$5.00 (fair market price per ton – reevaluated on an annual basis by ARBA members).

$A \times \$5.00 \times .0025$ for ALDOT tons 1 – 1,000,000 = \$12,500.

$A \times \$5.00 \times .0005$ for ALDOT tons 1,000,001 – 4,000,000 = \$7,500.

$A \times \$5.00 \times .0002$ for ALDOT tons 4,000,001 – 10,000,000 = \$6,000.

Maximum annual percentage dues contribution by an Aggregate Contractor member - \$26,000.

This information will be provided monthly to ARBA bookkeeping by Aggregate members on an approved form.

No. 1(b) Contractor and Aggregate Contractor Members achieve percentage dues Board seats after consecutive years of reaching the \$12,500 level beginning in 2007-08. For the first year of the enacted adjustment, the 2006-07 cap of \$10,000 will apply toward the % dues Board seat. Example: Contractor "A" achieved percentage dues in the amount of \$10,000 in 2006-07 and \$12,500 in 2007-08. This company would maintain a percentage dues seat on the board for 2008-09.

Annual dues will be in addition to percentage dues.

No. 2. Any corporation, individual or partnership belonging to the association as a contractor member or associate member shall be responsible for any percentage dues resulting from contracts, either prime or sub-contracts approved by the Alabama Department of Transportation, awarded to any subsidiary company, individual or partnership of the member (and whose primary place of business is in the same location as that of the member), or awarded to any company, individual or partnership whose ownership (and place of business is in the same location as that of the member) is substantially the same as that of the member.

No. 3. The Prime Contractor is neither to collect nor deduct Association percentage dues from any ARBA Sub-Contractor member.

No. 4. Percentage dues are due 60 days after receipt of contract award. A member whose percentage dues are unpaid after 12 months from date of award shall be notified (by Executive Committee) that member firm shall be suspended in accordance with Article 7, Section 2 of bylaws if dues are still unpaid after 30 days from date of notice. If suspended for unpaid dues, member firm shall be notified (by Executive Committee) that expulsion per Article 7, Section 2 will occur if dues are still unpaid after an additional 60 days from date of notice. Members may arrange for alternative methods of payment subject to approval by the ARBA Executive Committee.

No. 5. The Association will receive notice from the Alabama Department of Transportation all approved sub-contracts with the name of the sub-contractor and the amount of the sub-contract. Sub-contractors will be sent a form to be completed and returned to the Association office. Such form will reflect the correct amount of the sub-contract.

No. 6. The Association will invoice all members approved as sub-contractors the amount of sub-contracts up to \$50,000,000. There will be a maximum of \$26,000 to be paid by any one member in any one fiscal year.

No. 7. Whether work is done as a prime contractor or a sub-contractor or both, in no case will a member pay more than \$26,000 in percentage dues in any one fiscal year.

No. 8. In the case of joint-ventures for two or more members, the Association will invoice on the amounts advised by the members of the joint venture.

No. 9. In the case of a joint-venture between a member and a non-member, the member will be responsible for the full amount of the contract.

No. 10. The effective date of this policy is October 1st, 2007.

No. 11. In addition to percentage dues, Contractor members are assessed \$750 fixed annual dues. This fixed-annual-dues schedule was approved by the Board of Directors on December 6, 1985. Fixed Annual Dues are due within 60 days of invoicing.

No. 12. Associate members are assessed \$900 fixed annual dues. An Associate Member whose firm directly produces or sells any item used in the actual construction of a project, or has a direct financial interest in the transportation industry and has sales in excess of \$5million directly related to ALDOT construction projects, pays an additional \$600 toward their dues for \$1,500 total Associate dues. This additional dues level is paid by the associate on the honor system.

This fixed-annual-dues schedule was approved by the Board of Directors on September 28, 2007. Fixed Annual Dues are due within 60 days of invoicing.

NOTE (1) The above changes to ARBA's dues policy was unanimously approved by the Association's Board of Directors on April 28, 1989.

NOTE (2) Changes from Calendar Year to Fiscal Year were made by the Board of Directors on December 8, 1995.

NOTE (3) Changes to include subsidiary companies, etc. to percentage dues were approved by the Association's Board of Directors on July 26, 1996.

NOTE (4) Changes to include Aggregate classification Members was created and unanimously approved by the Board of Directors on September 28th, 2000, and implemented October 1st, 2000.

NOTE (5) Changes to the ARBA Dues Structure for Contractor, Aggregate Contractor and Associate Members was unanimously approved by the Board of Directors on September 28th, 2007, and implemented October 1st, 2007.