

**BYLAWS  
OF THE  
LUBBOCK AREA ASSOCIATION OF HEALTH UNDERWRITERS**

Adopted September 30, 2008

**ARTICLE I. NAME AND TERRITORIAL LIMITS**

Section 1. This professional organization shall be known as the Lubbock Area Association of Health Underwriters, Inc., hereinafter referred to as the Association, a not for profit corporation, incorporated in and under the laws of the State of Texas, and chartered by the National Association of Health Underwriters, hereinafter referred to as NAHU.

Section 2. The territorial limits of the Association shall be confined to the boundaries of Lubbock County.

**ARTICLE II. ASSOCIATION OBJECTIVES**

Section 1. The objectives of the Association shall be:

- A. To place the sale and service of insurance upon the highest possible standard.
- B. To advance public knowledge for the need and benefit of the insurance industry.
- C. To provide and, or, promote continuing education, legislative activity and guidance, regulations, practices, and self improvement which is in the best interest of the insurance industry, the public, and our members.
- D. To be active as an association in public services and to encourage its members to support and contribute to community activities.
- E. To promote the CODE OF ETHICS of the National Association of Health Underwriters (NAHU) hereby made a part of these bylaws.
- F. To promote the common business interest of those engaged in the insurance industry.

**ARTICLE III. MEMBERSHIP**

Section I. Classes of Membership

- A. Individual Membership. An individual member may be any individual licensed by the state licensing authority for the sale of health insurance products. Individual members may also include non-licensed individuals engaged in the distribution of health insurance products such as, but not limited to, home office personnel and others engaged in the management and distribution of such products. Individual members may also be referred to as Active Members.
- B. Associate Membership. Associate Members will not be members for census or voting purposes, but shall enjoy all privileges as defined by the Association.

- C. The Board of Directors of the Association may from time to time create other types of memberships to the Association, so long as such action does not conflict with the bylaws of NAHU.

Section 2. Membership Responsibilities, Removal, and Reinstatement

- A. Members shall be responsible for adhering to the Code of Ethics of the Association and representing themselves to the public only upon the highest professional standards.

- B. Removal

- a. The membership of any active member failing to pay dues on a timely basis, as prescribed by NAHU, shall be canceled.
- b. The membership of any active member may be canceled by a vote of 2/3 of the Board of Directors present at a duly constituted Board meeting for failure to maintain the standard required for membership or for other causes deemed sufficient by the Board of Directors upon a written statement of the grounds for cancellation and after a full hearing thereon. A copy of such statement shall be furnished to the member fifteen (15) days before the time set for the hearing, together with a notice as to the time and place of such hearing. If the member whose membership is in question shall be on the Board of Directors, he shall not be permitted to act in the capacity of a Director in connection with any proposed cancellation of his membership.

- C. Reinstatement.

The member whose membership has been canceled may appeal to the membership in general, provided that notice of intent to appeal is given to the President in advance, and the cost of said appeal is borne solely by the canceled member. An affirmative vote of fifty percent (50%) plus one (1) shall be required to overturn the decision of the Board of Directors. If the canceled member is successfully reinstated, he will be reimbursed the reasonable cost of the appeal.

**ARTICLE IV. NATIONAL AND STATE AFFILIATION.**

Section 1. The Association agrees to be bound by the bylaws of NAHU as adopted and amended.

Section 2. The Board of Directors shall provide for the prompt review, approval and forwarding of all reports required or requested by NAHU.

Section 3. Insofar as possible, the Association shall be represented by its proper delegates, or their duly appointed alternates, at the annual meeting of NAHU.

## **ARTICLE V. DUES AND FINANCE**

Section 1. Each active member of the Association shall pay local, state and national annual dues. Such annual dues shall be payable on the first day of the member's anniversary month as recorded by NAHU. All dues shall be submitted to and through NAHU. Any individual members more than sixty (60) days in arrears in payment of dues shall be dropped from the rolls as a member in good standing.

Section 2. The Board of Directors shall determine the amount of annual dues of the Association. The Association's dues may only be changed once a year and will be in effect from January 1 through December 31 of each year. Not later than the fifteenth (15<sup>th</sup>) of September of each year, or a date specified by NAHU, if the Association plans to increase or decrease its chapter dues for the following calendar year, the President shall advise Texas AHU/NAHU in writing of the Board-approved dues for the following year.

Section 3. The fiscal year of the Association shall begin on the first day of July of each year.

Section 4. The Association's books of accounts shall be reviewed and/or audited at least once each fiscal year. The Board of Directors shall name the auditors/reviewers.

## **ARTICLE VI. OFFICERS**

Section 1. The Officers of the Association shall be a President, President-elect, First Vice President, Second Vice President, Treasurer, Secretary, Immediate Past President and, if applicable, a non-voting Association Executive.

Section 2. Each officer, except the Association Executive, shall be an active member of the Association, Texas AHU and NAHU.

Section 3. All officers, except the Association Executive, shall serve without compensation.

Section 4. All officers shall take office on the first day of July of each year following their election, and shall serve for a term of one year.

Section 5. The office of Immediate Past President shall be filled automatically by the outgoing President. In the event there is no outgoing President, this office shall remain vacant.

Section 6. If the office of the President shall become vacant due to death, disability, resignation, recall or removal by due process, the President-Elect shall assume the office for its unexpired term and the term of President for the succeeding year, and the office of President-Elect shall become vacant until the next regular election. If the office of President becomes vacant and there is no President-Elect, the order of succession shall be First Vice President, Second Vice President, Treasurer, and then Secretary.

Section 7. If the office of President-Elect shall become vacant due to death, disability, resignation, recall or removal by due process, or by succession to the Presidency under Article VI., Section 6, the President shall appoint a member of this Association in good standing to fulfill the duties of the office for its unexpired term. The appointment shall be subject to a three-fourths (3/4) vote of approval by the Board of Directors. The office itself shall remain vacant until the next regular election.

Section 8. If the office of First Vice President, Second Vice President, Secretary or Treasurer become vacant due to death, disability, resignation, recall or removal by due process, or by succession under Article VI., Section 6, the office(s) shall be filled by appointment by the President. The appointment shall be subject to a three-fourth (3/4) vote of approval by the Board of Directors and shall be only for unexpired term of the office(s). Appointees shall assume the title and duties of the office(s).

## **ARTICLE VII. DUTIES OF OFFICERS**

Section 1. President. The President shall be the Chief Executive Officer of the Association and shall preside over all meetings of the Association and the Board of Directors. He shall be an ex-officio member of all standing and special committees

Section 2. President-Elect. The President-Elect, in the absence of the President, shall preside at all meetings of the Association and the Board of Directors and shall perform such other duties as may be assigned by the President or Board of Directors.

Section 3. First Vice President. The First Vice President, in the absence of the President and President-Elect, shall preside at all meetings of the Association and the Board of Directors and shall also perform such other duties as may be assigned by the President or Board of Directors.

Section 4. Second Vice President. The Second Vice President, in the absence of the President, President-Elect, and the First Vice President, shall preside at all meetings of the Association and the Board of Directors and shall also perform other duties as may be assigned by the President or Board of Directors.

Section 5. Treasurer. The Treasurer shall be responsible for overseeing the following: the receiving all funds and dues paid to the Association, the depositing of such funds and dues in the Association's official depositories, the disbursing of such funds on the order of the Board of Directors and by approved voucher signature of the President; the bookkeeping of all funds of the Association; and the completion and submission of forms required by laws governing the administration and/or tax status of the Association. The accounts and books of the Association shall at all times be open to the inspection by the Officers and Board of Directors of the Association. The Association bank accounts must always require two signatures on checks, one of which must be an Executive Officer of the Association. Other signature(s) shall be approved by vote of the Executive Board by the First of July each year.

Section 6. Secretary. The Secretary shall be responsible for overseeing the records of membership, attendance, membership dues and minutes of the meetings of the Association and the Board of Directors, and shall perform other duties as may be assigned by the President or Board of Directors.

Section 7. Immediate Past President. The Immediate Past President shall serve as an advisor to the Board of Directors, and perform other duties as assigned by the President or Board of Directors.

Section 8. Association Executive or Staff Person. There may be an Association Executive or Staff Person appointed by the Board of Directors, for such period, such compensation, and with such authority, duties, facilities and assistance as the Board of Directors may determine. This position shall have no vote.

## **ARTICLE VIII. BOARD OF DIRECTORS**

Section 1. Composition. The Board of Directors, shall be composed of the Officers of the Association. ( President, VP's, Secretary & Treasurer.) The Board of Directors

Section 2. Authority and Responsibility. It shall be the duty of the EC to conduct the affairs of the Association at such time as the Board of Directors is not in session, except those duties specifically reserved to the Board of Directors by the Bylaws, pursuant to delegation of authority to the EC by the Board. Any such affairs of the Association conducted by the EC shall be reported to the Board of Directors no later than the next regularly scheduled Board meeting.

Section 3. Quorum. The Board of Directors may transact business by mail or electronic means by voting upon proposals presented to them. Any such proposal shall be adopted if at least two-thirds (2/3) majority of the entire Board returns affirmative votes. The members of the board of Directors shall be advised of the results of such balloting no less than seven (7) days after the vote is tabulated.

Section 4. A majority of the Board of Directors shall constitute a quorum for the transaction of business.

## **ARTICLE IX. ELECTION OF OFFICERS**

Section 1. The election of officers shall be held once a year, no later than April 1<sup>st</sup> of each year. The election of officers shall be held by paper ballot or in some manner as determined by a vote of the Board of Directors.

Section 2. The Nominations & Elections Committee (see Article XI, Section 5E), shall be responsible to the Board of Directors for administering the selection of candidates and manner of election, so long as all active members of the Association are given the opportunity to nominate and vote for all candidates.

Section 3. A majority of votes received by active members shall determine the winner of each elected office. In the event of tie or one candidate not achieving a majority of votes received, a runoff election shall be held within thirty (30) days.

## **ARTICLE X. BOARD OF DIRECTORS**

Section 1. The Board of Directors shall consist of the elected officers of the Association, known as the Executive Committee, and the committee chairs listed in Article XI Section 1.

Section 2. Each Director shall be an active member of the Association, Texas AHU and NAHU.

Section 3. All Directors shall take office on the first day of July of each year following their appointment or election and shall serve for a term of one year.

Section 4. The Board of Directors shall determine the policies and activities of the Association, approve the budget, authority and responsibility to manage the Association's affairs.

Section 5. The Board of Directors shall meet monthly at such time and place as agreed upon by The Board of Directors, or by the President in the event the Board of Directors does not so designate. Notice of all such meetings shall be given to the Directors not less than thirty (30) days before the meeting is held.

Section 6. Special meetings of the Board of Directors may be called on order of the President, a majority of the EC, or a majority of the members of the Board of Directors. Notice of the time and place of any such special meetings of the Board of Directors shall be given to each Director no later than five (5) days prior to the meeting.

Section 7. Absences. Any Board of Directors member who shall have been absent from two (2) regular meetings of the Board of Directors during a single administrative year shall automatically vacate the seat on the Board of Directors, and the position shall be filled in accordance with these Bylaws. However, the Board of Directors shall consider each absence as a separate circumstance and may expressly waive such absence by affirmative vote of a majority of its members.

Section 8. Recall and Removal from the Board of Directors

- A. An officer, member of the Board of Directors, committee members or chair, or task force member or chair may be removed for malfeasance of office.
1. No elected officer or board member, or appointed committee member or chair, or appointed task force member or chair may be removed for malfeasance of office without a three-fourth (3/4) vote of the Board of Directors at any regular or special meeting at which a quorum is present.
  2. Notice of recall or removal must be sent by registered mail to the affected individual advising him/her of the action taken or about to be taken. Removal by due process requires notification prior to the vote for removal from office. The Board of Directors and/or twenty-five percent (25%) of the Association's membership can initiate recall. Recall can only be achieved by a three-fourths (3/4) vote of the Board of Directors.
  3. Failure to achieve the required vote for removal will cause the immediate reinstatement of the recalled individual to office. Any appointee replacing the recalled officer shall also immediately be discharged.
  4. Any individual member of the Association shall lose all rights and privileges of office under the Association if his/her license to sell insurance is revoked or if he/she is convicted of a felony or gross misdemeanor.

## **ARTICLE XI. COMMITTEES**

Section 1. There shall be the following Standing Committees:

- A. Awards
- B. Education
- C. Legislation
- D. Membership
- E. Retention
- F. Nominations and Elections
- G. Special Committees
- H. Website

Section 2. The President shall appoint, with the advice and consent of the Board of Directors, from the membership, the Chairpersons for each of the Standing Committees, except as otherwise provided in these Bylaws.

Section 3. Any action by a Committee shall be subject to the approval of the Board of Directors, or the EC in the absence of the Board of Directors, except as otherwise provided in these Bylaws.

Section 4. All Committees shall be of such size and shall have such duties, functions and powers as may be assigned to them by the President, except as otherwise provided in these Bylaws.

Section 5. Descriptions of Standing Committees

- A. Awards. The Awards Committee shall be responsible for the awards to be presented or received by the Association, except as otherwise provided in these Bylaws.
- B. Education. The Education Committee shall be responsible for promoting education that follows the mission of the Association.
- C. Legislation. The Legislation Committee shall be responsible for promoting knowledgeable information to the Association members, elected legislators and consumers regarding legislation.
- D. Membership/Retention. The Membership/Retention Committee shall be responsible for increasing and maintaining the membership of the Association.
- E. Nominations and Elections. The duties of this committee shall be to solicit and receive nominations and to prepare a slate of candidates. The Nominations Committee shall have general charge of the election process including the preparation, distribution, collection and counting of ballots, and reporting the results.
- F. Special Committees. The President shall appoint, subject to confirmation by the Executive Committee such Special Committees as he/she may deem necessary. The chairperson of each Special Committee shall be appointed by the President, with the consent of the EC. The chairperson of each Special Committee shall be a member of the Board of Directors. The President shall monitor actions of the Special Committees of the Association and shall make recommendations as needed to the EC or Board of Directors concerning the creation, dissolution and consolidation of these committees.

**ARTICLE XII. DELEGATES AND REPRESENTATIVES TO NAHU & TEXAS AHU FUNCTIONS**

Section 1. NAHU House of Delegates, Annual Symposium & Texas AHU Annual Meeting

- A. NAHU will advise the Association of the number of allotted delegates the Association may send to the House of Delegates. The Association delegates for NAHU House of Delegates, Annual Symposium and Texas AHU Annual Meeting shall be, in order of available slots, the President, Immediate Past President, President Elect, 1st Vice President, 2nd Vice President, Treasurer, Secretary, of the Association. Any additional allotted slots shall be filled by appointment of the President and approved by a majority of the Board of Directors. A number of alternate delegates may be determined by the Board of Directors and will also be appointed by the President and approved by a majority of the Board of Directors.
- B. The Association may reimburse Delegates to the House of Delegates. Reimbursement for expenses and requirements for reimbursement shall be defined

in the form of a Policy and Procedure. The maximum amount of reimbursement shall be set annually by the Board of Directors.

**Section 2. Capital Conference**

- A. Delegates to attend the Capitol Conference shall be, at a minimum, the President, President-Elect, and Chairperson of the Legislative Committee. If funds are available, additional delegates may be sent, and shall be appointed by the Board of Directors, in descending order as prescribed in Article VI., Section 1, Paragraph A.
- B. The Association may reimburse Delegates to the Capitol Conference. Reimbursement for expenses and requirements for reimbursement shall be defined in the form of a Policy and Procedure. The maximum amount of reimbursement shall be set annually by the Board of Directors.

**ARTICLE XIV. INDEMNIFICATION**

Section 1. This Association may, by resolution of the Board of Directors, provide for indemnification by the Association of any and all its Directors or officers or former Directors or officers against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding, in which they or any of them are made parties, or a party, by reason of having been Directors or officers of the Association, except in relation to matters as to which such Director or officer or former Director or officer shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.

**ARTICLE XVI. PARLIAMENTARY AUTHORITY**

Section 1. Robert's Rules of Order (revised) shall be the Parliamentary Authority for all matters of procedure not specifically covered by these Bylaws.

**ARTICLE XVII. AMENDMENTS**

Section 1. Amendments to these Bylaws, if in conformity with the policy of the NAHU, may be adopted by a two thirds (2/3) vote of the active members of the Association present at any meeting of the Association, provided that written notice of the meeting and of the proposed amendment(s) shall have been given to the members at least one month prior to the meeting.

Section 2. A quorum is defined as One-tenth (1/10) of this Association's membership.

#### **ARTICLE XVIII. DISSOLUTION**

Section 1. Dissolution of the Association requires the passing of a Resolution of Resignation by a three-fourths (3/4) vote of all active members. The adopted resolution shall be sent by the Secretary of the Association by registered mail to the Executive Vice President of NAHU and shall become effective upon acceptance by the NAHU Board of Trustees. Upon acceptance of the Resolution of Resignation by the NAHU Board of Trustees, individual members of the Association shall become active members of the existing local association nearest them in their state, or members-at-large if no other association exists within their state.

Section 2. The Association's charter with NAHU may be suspended or revoked in accordance with appropriate sections of the bylaws of NAHU.

Section 3. The Association shall use funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of said funds shall inure or be distributed to its members in the event the Association is dissolved or its charter revoked for cause in violation of the bylaws of NAHU. Immediately upon dissolution or revocation of its charter, the Association's Board of Directors shall return all remaining Association funds to NAHU for placement in escrow. Funds placed in escrow will be distributed in accordance with the procedures outlined by the bylaws of NAHU.

#### **ARTICLE XIX. PREVIOUS BYLAWS SUPERCEDED**

Section 1. These Bylaws, as revised, supersede all provisions of any previous bylaws of the Association.

##END##