

# **National Association of Health Underwriters Bylaws**

Adopted June 13, 1990  
Last Amended June 28, 2022  
by the NAHU House of Delegates

## **ARTICLE I - Name and Principal Office**

- Section 1. The name of this professional Association shall be National Association of Health Underwriters, a non-profit corporation, incorporated as such under the laws of the State of Ohio. The Association may also do business as National Association of Health Underwriters- America's Benefits Specialists. Herein after referred to as the Association or "NAHU".
- Section 2. The principal office of this Association shall be located in a place designated by the Board of Trustees. The association may have such other offices as may, from time to time, be designated by the Board of Trustees.

## **ARTICLE II - Purposes**

- Section 1. The objectives of NAHU are:
- A. To promote the common business interests of those engaged in the sale of health, disability and related insurance products and services.
  - B. To advance public knowledge for the need and benefit of the financial protection provided by health, disability and related insurance products and services.
  - C. To promote the adoption and application of high standards of ethical conduct in the health, disability and related insurance products and services industry.
  - D. To provide and promote a program of continuing education and self improvement of NAHU members.
  - E. To coordinate the efforts of the various state and local Health Underwriter Associations of the United States.
  - F. To create, organize, encourage and charter, on a local and state level, associations for membership in NAHU.
  - G. To increase the knowledge of members concerning the principles, functions and applications of health, disability and related insurance products and services.
  - H. To promote education, legislation, regulation and practices which are in the best interest of the health, disability and related insurance products and services industry and thus provide financial protection to the insuring public.
  - I. To encourage adequate protection against the hazards of disability as part of a well-rounded health, disability and related insurance products and services program.
  - J. To do such other things and to carry out such other programs so as to further the purposes of the association.
- Section 2. The association and its members recognize an obligation to present accurately, honestly and completely every fact essential to the client's decision as expressed in the associations Code of Ethics, which are considered a part of these Bylaws.

### **ARTICLE III - Membership Section**

Section 1. Membership in NAHU will be available under the following designations:

- A. Individual Member
- B. Life Member

Section 2. An individual member may be any individual licensed by his/her state licensing authority for the sale of health, disability and related insurance products and services. Individual members may also include non-licensed individuals engaged in the distribution of health, disability and related insurance products and services such as, but not limited to, home office personnel and others engaged in the management and distribution of such products.

- Section 3.
- A. Life Membership shall be granted when an active member has been in good standing for a minimum of ten (10) consecutive years and has either 1) has attained age 65 and retired, or 2) is disabled. NAHU national dues shall be reduced by fifty (50%) percent for such Life members.
  - B. Each member who has served as the elected President of NAHU for a full one-year term of office shall be entitled to an NAHU Life Membership, and all NAHU national, state and local dues shall be waived for such individuals meeting this special qualification.
  - C. Each local and state association shall determine their own amount of reduction for Life Membership, if any, with the exception of those who held office as NAHU's elected President - for whom state and local dues shall be waived for Life Membership as defined in Section 3A.
  - D. Life Members have the same rights and privileges as Individual Members

Section 4. An active member is an Individual or Life Member, in good standing, regardless of designation, which has paid all dues required by local, state and national associations. Any individual member more than sixty (60) days in arrears in payment of dues shall be dropped from the rolls as an active member.

Section 5. All members may attend any meeting of the Association provided any required registration fees are paid.

Section 6. An individual's membership in the Association may be revoked in accordance with state and/or local association bylaws and the impact shall be reciprocal among the various associations. Those bylaws provisions concerning revocation of membership shall include requirements that notice be provided to the member, that notice include the basis for their removal, that the accused member shall enjoy the protection of due process and a vote of the governing body of the state or local association removing that individual's membership. The basis for revoking an individual's membership shall include but not be limited to revocation of that individual's license to sell insurance by the relevant governmental authority or conviction or admission of guilt by the individual to a crime which is a felony or gross misdemeanor by any jurisdiction.

## **ARTICLE IV - Local and State Associations**

- Section 1. Members in State and Local Associations may be:
- A. Individual Member
  - B. Life Member
- Section 2. If two (2) or more local associations in good standing exist within the geographical boundaries of a state, a prospective state association must be formed.
- Section 3. Each state and local association shall set the date of its own annual meeting and election of officers and directors. The President and Secretary of each association shall, immediately upon election, certify to the Executive Vice President of NAHU the names and titles and addresses of the officers and directors elected to serve in the ensuing period.
- Section 4. A. Each local association shall have the power to fix its own schedule of dues payable to it by its members, with all dues changes taking effect on January 1 of the following year.
- B. Each state association shall have the power to fix its own schedule of dues payable to it by its members, subject to the ratification of the schedule by at least three-fourths (3/4) of the local associations in the state - with all dues changes taking effect on January 1 of the following year.
- Section 5. Each local association shall operate as a free-standing association. It shall have representation on its state association board of directors as prescribed in the state association's bylaws. The local association should recognize and support the positions and activities of various local associations within its state's boundaries and interact with the state association for the common good of all associations within the state's boundaries.
- Section 6. An association, after becoming a chartered member, may incorporate subject to the approval of the Board of Trustees, but only by the name designated in its charter: "                     Association of Health Underwriters. Associations may choose to use the suffix "America's Benefits Specialists", or "city/state Benefits Specialists". Associations shall agree, as a condition precedent to incorporation, that it will as an incorporated body abide by the Bylaws of NAHU then in force or thereafter adopted or amended from time to time.

## **ARTICLE V - Executive Officers**

- Section 1. The Executive Officers of NAHU shall be:
- A. President
  - B. President-Elect
  - C. Vice President
  - D. Treasurer
  - E. Secretary
  - F. Immediate Past President
  - G. Executive Vice President (Non-voting member)

Section 2. Each officer, except the Executive Vice President, shall be an active Individual or Life member of a state and/or local association.

Section 3. All officers, except the Executive Vice President and the President, shall serve without compensation.

- Section 4. A. The President-Elect, Vice President, Treasurer and Secretary shall be elected by the House of Delegates at its annual meeting.
- B. The aforementioned officers shall be elected for a term of one (1) year.
- C. 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, and the President shall appoint a member in good standing to fulfill the duties of the office for a period not to exceed twelve (12) months or until the end of the current president's term, whichever occurs first. The appointment by the President of a member to fulfill the duties of this office shall be subject to three-fourths (3/4) vote of approval by the Board of Trustees.
- D. If the office of President becomes vacant due to death, disability, resignation 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. With the ascension of the President-Elect to President, the office of Vice-President shall become President-Elect, the Treasurer shall become Vice-President, and the Secretary shall become Treasurer while maintaining the responsibilities of Treasurer until the next regular election. The office of Secretary shall remain 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 Vice-President, then Treasurer, then Secretary.
- E. If the office of President-Elect shall become vacant due to death, disability, resignation or removal by due process, or by succession to the Presidency under Section 4D, listed above, the Vice-President shall assume the office of President-Elect and the Treasurer shall become Vice-President, and the Secretary shall become Treasurer and maintain the responsibilities of Secretary until the next regular election.
- F. If any or of the all offices of Vice President, Treasurer or Secretary become vacant by death, disability, resignation or removal by due process, the President shall, within thirty (30) days of the effective date of the vacancy, submit a nomination to the Board of Trustees of a member to fill that position, which must be voted on and approved by a three-fourths (3/4) of the Board of Trustees. If no nomination is submitted by the President within thirty (30) days of the effective date of the vacancy, the Board of Trustees may consider nominations submitted by any member of the Board of Trustees and shall elect, by a three-fourths (3/4) of the entire Board of Trustees, an active member of the Association, to fulfill the responsibilities of the vacant office for the remainder of the term. Once approved or elected, appointees shall assume the title and duties of the office immediately.
- G. The power to appoint or nominate replacements for any vacancy, except as described in Section 4D above, shall be restricted to unexpired terms that cannot be filled within thirty-one (31) days by the House of Delegates at its annual meeting.

## **ARTICLE VI - Duties of Officers**

- Section 1. A. The President shall be the Chief Elected Officer of this association and shall preside over all meetings of the association, the Board of Trustees, the Executive Committee, and the House of Delegates. The President shall appoint all committees whose membership is not otherwise established by these Bylaws and shall be an ex-officio member of all committees formed under this Association except the Nominations and Elections Committee. Together with the Executive Vice President, the President shall represent this Association at various industry meetings and shall perform such other duties as usually pertain to the office, including the assignment of specific duties to other Officers and Trustees.
- B. The President shall also be empowered to fill all vacancies in the manner prescribed by these Bylaws. Upon completion of his/her term, the President shall assume the office of Immediate Past President.
- Section 2. A. The President-Elect shall perform such duties as may be assigned by the President, the Executive Committee, or the Board of Trustees.
- B. The President-Elect shall immediately assume the office of President immediately following the adjournment of the annual meeting of the House of Delegates in the year subsequent to his/her election to the office of President-Elect or, in the event of a vacancy as outlined in Article V, Section 4E.
- Section 3. The Vice President shall oversee the activities of the Standing Committees assigned to him/her by the President and shall be responsible for other duties as they are assigned to him/her by the President, Executive Committee, or Board of Trustees.
- Section 4. The Treasurer shall submit a financial report at the Annual Meeting of the House of Delegates. The Treasurer shall oversee the preparation of the annual financial report required by Article XIV, Section 2. The Treasurer shall be responsible for other duties as they are assigned by the President, Executive Committee or Board of Trustees.
- Section 5. The Secretary shall be responsible for taking the minutes of the meetings of the Executive Committee, Board of Trustees and House of Delegates. The Secretary shall maintain the Association's Policies and Procedures. Approved, amended or rescinded P&P's shall be signed by the Secretary and stored as permanent records of the Association at the national office. The Secretary may appoint assistants as is deemed necessary to execute these duties. The Secretary shall be responsible for other duties as they are assigned by the President, Executive Committee or Board of Trustees.
- Section 6. The Executive Vice President shall be responsible for directing the efforts and activities of the association based on policy determined by the Executive Committee, Board of Trustees and House of Delegates. The Executive Vice President shall be a non-voting ex-officio member of all Standing Committee, Special Committee and Task Forces.
- Section 7. The Immediate Past President shall serve as an advisor to the Executive Committee and Board of Trustees, and perform other duties assigned by the President, the Executive Committee, or the Board of Trustees.
- Section 8. The Executive Committee or Board of Trustees may assign specific officers to be ex-officio members of various Standing Committees or Task Forces.

## **ARTICLE VII - Executive Committee**

- Section 1. The Executive Committee shall consist of the elected officers of the Association:
- A. President
  - B. President-Elect
  - C. Vice President
  - D. Treasurer
  - E. Secretary
  - F. Immediate Past President
  - G. Executive Vice President (a non-voting member)
- Section 2. The Executive Committee may act in the place of the Board of Trustees between board meetings on all matters explicitly delegated to it by the Board of Trustees.
- Section 3. The President may call for meetings of the Executive Committee as the business of the association may require, or a meeting may be called by the Executive Vice President upon written request of three (3) members of the Executive Committee. Except for urgent situations, any called meetings of the Executive Committee shall require notice of not less than three (3) days.
- Section 4. A quorum for conducting business shall be no less than four (4) voting members of the Committee.
- Section 5. The Executive Committee may transact business by mail or electronic means by voting upon proposals to them. Any such proposal will be adopted if two thirds (2/3) of the entire Executive Committee returns affirmative votes.

## **ARTICLE VIII - Board of Trustees**

- Section 1. The Board of Trustees shall consist of:
- A. Executive Committee
  - B. Regional Vice Presidents
  - C. Chairpersons of the Membership Council
  - D. Chairperson of the Legislative Council
  - E. Chairperson of the Professional Development Council

All members of the Board of Trustees shall be members in good standing of the National Association of Health Underwriters.

- Section 2. A. The Board of Trustees shall establish and define policies, set and review budgets and have full administrative authority in all matters of the association. The Board of Trustees shall also have the authority to establish, modify and manage alternate dues models consistent with the organizational and financial needs of the organization while preserving individual membership.
- B. Policies and Procedures of the association are adopted, amended or rescinded by a majority vote of the Board of Trustees. Policy and Procedures shall be distributed to all chapter presidents within ten days of adoption, amendment or rescission.

Furthermore, Policy and Procedures are to be reviewed on an annual basis by the Board of Trustees

Section 3. A. Regular Meetings.

- i. The Board of Trustees shall meet at least three (3) regular times each year.
- ii. A written notice of the time and place of all regular meetings of the Board of Trustees shall be distributed to each member of the Board by the Executive Vice President not less than thirty (30) days prior to the meeting.

B. Special Meetings. The Board of Trustees shall also meet at such times and places may be determined by the President, Executive Committee, or the Board of Trustees or by written request of seven (7) members of the Board of Trustees. Except for urgent situations, notice for any special meeting shall be at least three (3) days prior to the meeting.

C. All meetings of the Board of Trustees will be open to any member in good standing.

Section 4. The Board of Trustees 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) of the entire Board returns affirmative votes. The Board members shall be advised of the results of such balloting no less than seven (7) days after the vote is tabulated.

Section 5. A majority of the Board of Trustees shall constitute a quorum for the transaction of business.

Section 6. The Board of Trustees shall also execute other specific duties assigned to it throughout these Bylaws.

Section 7. The interpretation of these Bylaws resides with the Board of Trustees. Disputes between individual members or member associations regarding the Bylaws shall be submitted to the Board of Trustees, in writing, and the Board's interpretation shall be in writing and entered into the permanent minutes of the Board of Trustees.

Section 8. A. Regional Vice Presidents shall be elected by the Delegates from the state and local associations of their respective regions at the annual meeting of the House of Delegates. Each term of office shall be for two (2) years. The odd numbered Regional Vice Presidents shall be elected on the odd numbered year and the even numbered Regional Vice Presidents shall be elected on the even year. No one person shall hold the office of Regional Vice President for more than two (2) complete consecutive terms or more than five (5) years consecutively. Any person who has served two (2) consecutive terms as a Regional Vice President is ineligible for election to a Regional Vice President position for three (3) years.

B. In the event an individual who is serving as Regional Vice President shall cease to serve as Regional Vice President due to death, disability, resignation or removal by due process as outlined in Article XIII herein, the presidents of the state chapters within the region shall nominate, within thirty (30) days of the effective date of the vacancy, one member of the Association to fill the remainder of the Regional Vice President's term. The nominee must submit a signed statement saying he/she is willing and able to serve if elected. The Board of Trustees must approve the nomination by a three-fourths (3/4) vote of the Board of Trustees. In the event that

the Board of Trustees fails to approve the Region's nomination for Vice President, the President of the association shall nominate a member in good standing from that region to fulfill the unexpired term of that office subject to a three-fourths (3/4) vote of approval by the Board of Trustees.

## **ARTICLE IX - Committees**

Section 1. Committees of the association shall be of three designations:

- A. Standing - Standing Committees are created by these Bylaws and are a permanent part of the Association structure. Details regarding the organization and duties of Standing Committees, if not otherwise defined in these Bylaws, will be detailed in the Policies and Procedures of the Board of Trustees.
- B. Special - Special Committees are created by the Board of Trustees, pursuant to Policies and Procedures and are intended to exist beyond the term of the appointing Board of Trustees.
- C. Task Forces - Task forces are created by the President, pursuant to Policies and Procedures and are intended to exist only during the tenure of the appointing President.

Section 2. The Standing Committees shall be:

- A. Legislative Council
- B. Membership Council
- C. Nominations & Elections Committee
- D. Harold R. Gordon Award Committee
- E. Finance and Audit Committee
- F. Professional Development Committee
- G. Governance Committee
- H. Professional Development Council

Section 3. The President shall appoint the Chairpersons and the members of all Standing or Special Committees and Task Forces except the Nominations and Elections (as provided in Article X) and Harold R. Gordon Award (as provided in Section 7 of this Article) committees. All Chairpersons' appointments shall be subject to approval by the Board of Trustees.

Section 4. The Board of Trustees shall establish guidelines for all committees regarding usual duties, terms of office, and requirement for reports unless otherwise specified in these Bylaws.

Section 5. The administration of the fiscal affairs of all Standing Committees, Special Committees and Task Forces are vested in the Board of Trustees.

Section 6. The Harold R. Gordon Award standing committee members shall include; the President and Immediate Past President, and the last five available Award recipients. The committee's chair shall be the recipient of the Award from the year prior to the current recipient. The chairperson of the committee must be a member of NAHU. If the committee member scheduled to be chairperson is not a member of NAHU, the previous chairperson shall continue to serve as chairperson. If this situation occurs two consecutive years, the President of NAHU shall appoint a chairperson who was a

previous Gordon recipient and current member. In addition, the Executive Vice President shall be a non-voting member.

## **ARTICLE X - Nominations and Elections**

### Section 1. Nominations and Elections Committee

- A. The Nominations and Elections Committee shall consist of the chairperson, vice chairperson and nine (9) additional members. The chairperson of the Nominations and Elections Committee shall be the Immediate Past President or the appointee of the President fulfilling the duties of that office for its unexpired term. The vice chairperson shall be the President-Elect or the appointee of the President fulfilling the duties of that office for its unexpired term. A third member shall be a past NAHU President, who is appointed by the Nominations and Elections Committee chairperson and the remaining eight (8) members shall be regional members, who shall be one each from their respective region appointed by the Regional Vice President and approved by the Board of Trustees.

Members of the Nominations and Elections Committee shall not be currently running for office. If such should occur, his or her name should be withdrawn and replaced by the President or the appropriate Regional Vice President with another member in good standing.

- B. The role and responsibility of the Nominations and Elections Committee in regards to nominations, shall be to compile a list of candidates for the various offices to be filled at the Association's annual meeting. As a part of its responsibilities, the committee shall mail its report to the Secretary not less than ninety (90) days prior to the annual meeting of the association. Not less than seventy-five (75) days prior to the annual meeting, the Secretary shall postal mail or electronic mail a copy of the report to the President and Secretary of each State and local association. In addition, the report of the Nominations and Elections Committee will be published in the association's magazine prior to the annual meeting.
- C. A member's name may be presented to the Nominations and Elections Committee or the NAHU Board of Trustees, for consideration as a nominee by any member of the Nomination Committee, or by written notice from any state and local association accompanied by a statement signed by the nominee that he/she is willing and able to serve if nominated and elected. In the event that no members are nominated for a position, the Board of Trustees may nominate a candidate. Nominations may not be made by individual members, except as allowed in Section D below.
- D. Additional nominations outside of the Nominations and Elections Committee may be made by written notice from the Boards of Directors of at least three (3) state and local associations, addressed to the Secretary of the association, which must be received not less than thirty (30) days prior to the annual meeting. The Secretary shall publish such additional nominations and mail them to the local associations not less than twenty-five (25) days prior to the annual meeting.
- E. With the exception of Immediate Past President and President, additional nominations for executive officers or Regional Vice Presidents may be made from the floor of the convention while nominations are open for a particular office. In order to qualify, the nominator must present to the Secretary no less than twenty-four (24) hours before the opening of the floor for nominations a petition containing

a minimum number of different state and local associations as described below, along with a signed statement by the nominee that he or she is willing and able to serve if elected.

- i. For an office which is voted on by all delegates, the minimum number of valid signatures shall be twenty-five (25) percent of the registered delegates in attendance at the annual meeting, and those signatures must be from a minimum of ten (10) different state and/or local member associations from at least five (5) different states must be represented by those signatures.
  - ii. For an office which is voted on by delegates from a certain geographic region, the minimum number of valid signatures shall be twenty-five (25) percent of the registered delegates from that region in attendance at the annual meeting representing a minimum of three (3) different state and/or local member associations from at least two (2) different states within that region.
- F. The Nominations and Elections Committee will determine the number and duration of nominating speeches for all candidates and all offices, with a minimum of two (2) minutes allowed per candidates.

## Section 2. Elections

- A. The responsibilities of the Nominations and Elections Committee, in regard to elections shall include:
  - i. The adoption of procedures for credentialing delegates to vote for offices;
  - ii. Reporting to the House of Delegates on the number of delegates who have been credentialed and the meeting of necessary quorum for the House of Delegates to conduct business; and
  - iii. To supervise all ballot votes and tabulating and reporting the results of all votes.
- B. The nominees for each office receiving a majority of the votes cast shall be declared elected. An additional vote shall be taken if no candidate receives the necessary majority for election. The two (2) candidates receiving the most votes (or more in the case of a tie) on the first ballot shall be the only names on the additional ballot or ballots.

## **ARTICLE XI - House of Delegates**

### Section 1. The House of Delegates shall consist of:

- A. The Board of Trustees
- B. Past Presidents of NAHU
- C. Delegates of state and local associations as designated in Sections 2 and 3 of this Article.

- Section 2. A. Each state and local association shall be entitled to three (3) voting delegates. One (1) additional voting delegate will be allowed for each additional fifty (50) active members in the member association above one hundred (100) active members. No member state association, however, shall be entitled to more than eight (8) voting delegates. No additional delegates shall be assigned for less than fifty (50) active members above the base amount of one hundred (100) active members. This count must be determined on the last day of the month that falls between sixty (60) and ninety (90) days before the opening session of the Annual Meeting.
- B. No individual member may be counted under more than one census of a member organization.

- C. Delegates must be active members in good standing of the association that are representing as indicated on the official NAHU membership roster.
- D. Notwithstanding C. above, with the approval of the state or local member association involved, past state presidents who are current members in good standing may be assigned to fill any unused state or local delegate position in the state in which they were president.

Section 3. Each state and local association may designate one alternate for each of its delegates. A designated alternate may replace a delegate unable to fulfill his/her voting duty upon certification of his/her qualification to serve according to the requirements above. All alternates must be identified and credentialed by the deadline established by the Nominations and Elections Committee.

Section 4. For purposes of transacting business in the House of Delegates a quorum shall be at least a majority of the duly registered delegates representing no less than twenty-five (25) percent of the association's state and local associations.

Section 5. The Annual Meeting of the House of Delegates shall be in the month of June or July unless physically impossible. In the event the Annual Meeting cannot be held in June or July, it shall be held in the month of May.

Section 6. The House of Delegates may:

- A. Elect or remove officers and Trustees of NAHU,
- B. Suggest and recommend policy to the Board of Trustees,
- C. Amend these Bylaws,
- D. Review the actions taken by the officers and Board of Trustees,
- E. Establish dues to be paid to the NAHU.

Section 7. Written notice of resolutions to be considered at any meeting will be sent to each state and local association forty-five (45) days prior to the annual meeting. Members desiring to propose items for consideration by the House of Delegates shall submit their proposals in resolution form to the Secretary no later than sixty (60) days prior to the meeting. No new business items shall be added to the House of Delegates agenda less than forty-five (45) days prior to the meeting, unless two-thirds (2/3) of the those delegates voting approve the consideration of such resolution and sufficient copies of the proposed resolution is provided for each registered delegate at the House of Delegates.

Section 8. No member of the House of Delegates shall cast more than one (1) vote on any issue even if that member is qualified as a voting member under more than one (1) classification set out in Section 1 of this Article.

Section 9. The place for the annual meeting shall be determined by the Board of Trustees and shall be announced one year in advance. The Board of Trustees shall retain the discretionary power to change the location in the event circumstances prevent use of the place designated.

Section 10. Special meetings of the House of Delegates may be called by a majority vote of the entire Board of Trustees or upon written request twenty-five (25) state and local

associations representing at least three (3) regions made to the President of NAHU, provided that the written request state the reason for the convocation. The notice of a special meeting shall be sent to each local association stating the reason for the convocation.

## **ARTICLE XII - Suspension, Revocation, Resignation and Dissolution of State and Local Associations**

### Section 1. Financial Suspension or Revocation.

- A. Any state or local association more than sixty (60) days in arrears for any indebtedness shall be eligible to have its membership herein suspended or revoked as outlined in this Article.
- B. State and local associations shall use their funds only to accomplish the objectives and purposes specified in all relevant Bylaws, including those of NAHU, and pertinent state and federal tax laws. Breach of this fiduciary duty to the association and its respective membership shall cause the Association to be eligible to have its membership herein suspended or revoked as outlined in this Article.

### Section 2. Failure to abide by Relevant Bylaws or Policies of the Association or NAHU.

The strength of our membership is best reflected by a common governing framework, approved use of the association's name and symbols and shared financial ties. Any state or local association which has failed to fulfill their obligations under relevant governing documents, including but not limited to Bylaws, Articles or Policies and Procedures of the state and/or local association or of NAHU shall be eligible to have its membership herein suspended or revoked as outlined in this Article.

### Section 3. Inactivity of an Association.

Any state or local association which has 1) failed to report its officers to its state association or NAHU; 2) failed to respond, within thirty (30) days, to correspondence sent by registered mail to the last known President, Treasurer and Secretary of that association or 3) upon motion of the governing body of the relevant state or regional vice president reporting that an Association is inactive or has gone dormant, may be dissolved in accordance with the procedure contained in this Article.

### Section 4. Process for Suspension or Revocation/Dissolution.

- A. Notice to the Association whose suspension or revocation/dissolution is being considered by the Board of Trustees shall be provided in writing, sent by registered mail by the Executive Vice President of NAHU to the last reported President, Treasurer and Secretary of the Association.
- B. The notice shall include a brief statement establishing the basis for the proposed suspension or revocation and the date of a meeting of the Board of Trustees at which the Association's affiliation with NAHU will be considered.
- C. Not less than thirty (30) days following the receipt of the notice by either party representing the Association, the Board of Trustees shall hold a meeting to consider the Association's membership with NAHU, shall consider the input of and information provided by relevant Association and may vote on the suspension or revocation/dissolution.
- D. A majority of the members of the Board of Trustees present and voting shall be necessary to suspend an Association from its affiliation with NAHU. If suspension

is approved by the Board of Trustees, the following question before the Board shall be the period of suspension for the Association, said period of suspension however should not exceed twelve (12) months.

- E. A three-fourths (3/4) vote of the entire Board of Trustees present and voting shall be necessary to revoke or dissolve a state or local Association's charter.

Notice of suspension or revocation must be sent by the Executive Vice President to the President and Secretary of the suspended or discharged state and local association.

- Section 5.
- A. Any state or local association may resign from NAHU provided that all financial and other obligations of the state and local association to NAHU have been fulfilled, and that, if incorporated, the corporation has been duly dissolved.
  - B. A state or local association may resign by passing a Resolution of Resignation adopted by a three-fourths (3/4) vote of the active membership of the state and local association. The adopted Resolution shall be sent by the Secretary of the member association by registered mail to the Executive Vice President of NAHU and shall become effective upon acceptance by the Board of Trustees. Upon acceptance of the Resolution of Resignation by the NAHU Board of Trustees, individual members shall become active members of the existing member association nearest them in their state or of their state association or members-at-large if no other association exists within their state.
  - C. The state and local association, by taking the action to resign, shall surrender all rights to the use of the name, emblem, insignia, plate, sign, label or phrase indicative of membership in the association.
  - D. State and local associations 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 the members of the state and local association in the event it is disbanded or the charter revoked for cause in violation of the Bylaws of the National Association of Health Underwriters. Immediately upon disbandment or revocation, the state and local association's governing Board shall return all remaining association funds to its state association. If there is no state association, however, then said funds shall be sent to the National Association of Health Underwriters, for placement in escrow. After a period of one (1) year, if the association has not been reactivated or a new association organized and chartered, escrowed funds and interest shall become a part of the general funds of a member state association which may have been subsequently duly chartered. If there is no state association, the escrowed funds will be allocated to a National account for the development of chapters within the region of the disbanded or revoked association.

### ARTICLE XIII - Removal from Office

Section 1. A member of the Board of Trustees may be removed from office in the event of such acts of dishonesty, fraud, misrepresentation, or other reasonable cause as would prevent the effective performance of his/her duties on the Board of Trustees.

- Section 2. A. The process for removal of any member of the Board of Trustees, except for Executive Vice President, shall be as follows:
- i. Notice shall be provided to the Board member, whose removal is being sought, outlining the basis for removal and signed by the Executive Vice President. The notice shall also contain a statement reflecting that the condition for removal required under subsection (B) herein has been satisfied and provide notice to the Board member of the date of the special called meeting of the Board of Trustees to which the removal will be considered. That notice shall be sent to the Board member's last know address, by U.S. Postal Service, with proof of mailing.
  - ii. The special called meeting of the Board of Trustees shall be held to consider the matter of removal of the Board member, providing members of the Board to consider the basis for the removal and information from the Board member whose removal is being considered; and
  - iii. Following the consideration, there shall be a vote of the members of entire Board of Trustees, with the exception of the member whose removal is being sought, and a vote of three-fourths (3/4) majority of those eligible to voter shall be required to remove the member from the Board of Trustees, and the board member shall be removed from office immediately and a successor appointed in accordance with the provisions of Article VIII, Section 8.
- B. A Board member's removal must be precipitated by:
- i. For the removal of any member of the Board of Trustees, a signed request for the matter to be considered by a three-fourths (3/4) of the remaining members of the entire Board.
  - ii. The removal of any Regional Vice President may also be initiated by a signed request for the matter to be considered by the Board of Trustees by one of the following:
    - a. a majority of the presidents of the state associations located in the region represented by the Regional Vice President on behalf of their respective state associations; or
    - b. twenty-five (25%) percent of the presidents of the state and local association which are located in the region represented by the Regional Vice President on behalf of their respective state and local associations.
- C. 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.

Section 3. Recall from office of an officer or Regional Vice President of The Association shall cause the office to be vacant until removal from the office is achieved as described in Section 2 of this Article and a successor is appointed. Recall can be initiated by the Board of Trustees and or twenty-five (25) percent of the member associations. Recall can be achieved only by a three-fourths (3/4) vote of the Board Trustees.

Section 4. Failure to achieve the required vote for removal will cause the immediate reinstatement of the recalled officer or Regional Vice President. Any appointee replacing the recalled officer shall also be immediately discharged.

#### **ARTICLE XIV - Financial**

Section 1. The fiscal year of NAHU shall be 1 January through 31 December.

Section 2. The Board of Trustees shall install and maintain an efficient system of accounts and to that end shall engage Certified Public Accountants. There shall be an independent audit of the association's books every year.

Section 3. The Board of Trustees shall adopt a budget for the fiscal year not later than 1 November preceding the start of the fiscal year. A summary of the adopted budget will be distributed in a timely manner to all state and local Presidents and Treasurers

Section 4. The Executive Vice President, or any other person entrusted with the handling of funds or property of the association, shall furnish, at the expense of the association, a fidelity bond approved by the Board of Trustees, in such sum as the Board shall prescribe.

Section 5. Disbursements shall not exceed the greater of revenue raised or the expenses budgeted, except by three-fourths (3/4) vote of the entire Board of Trustees. In the event of board approval, written notification of such action shall immediately be forwarded to all state and local chapter Presidents and Treasurers.

Section 6. The Executive Vice President, with the approval of the Executive Committee, shall designate the depositories of all funds of NAHU and its affiliated arms.

Section 7. The Board of Trustees shall have the power to authorize such officers and employees as in its judgment may seem advisable to execute the aforementioned voucher checks, provided that all checks in excess of \$10,000 (except for those for recurring and consistent items, such as office rent, approved by the Board of Trustees in a Policy & Procedure reviewed annually) shall require two authorized signatures. Authorized signatures shall include at least one elected member of Executive Committee. The Treasurer, together with the Board of Trustees, will institute policies and procedures to insure that the financial integrity of the association is maintained at all times.

Section 8. As soon as possible, after adoption of the auditors' annual report, following the close of the fiscal year, the Board of Trustees shall mail to the Treasurer and President of each local and state association the balance sheet and a statement of the receipts and the expenditures of the NAHU for the previous year, duly certified by the auditors.

#### **ARTICLE XV - Logo**

Section 1. Any member in good standing may use NAHU's logo on his/her business cards, letterhead or website, if accompanied by the term "Member of" or "Member of the National Association of Health Underwriters". The use, size and placement of the logo and accompanying text shall only indicate membership in NAHU, and should not indicate or suggest NAHU's approval or endorsement of his/her business, product or

services. Furthermore, use of the NAHU logo shall not confer membership in NAHU. Authorized corporate partners and /or sponsors of NAHU may also use NAHU's logo on business cards, letterhead, website or marketing materials only upon express written consent of NAHU.

### **ARTICLE XVI - Parliamentary Authority**

Section 1. The current edition THE STANDARD CODE OF PARLIAMENTARY PROCEDURE governs this organization in all parliamentary situations that are not provided for in the law or in its charter, Bylaws or adopted rules.

### **ARTICLE XVII - Amendments**

Section 1. Amendments to these Bylaws shall be made at any meeting of the House of Delegates of NAHU by a two-thirds (2/3) vote of the delegates present and voting.

Section 2. Proposed amendments to these Bylaws may be initiated by any of the following:

- A. The NAHU House of Delegates
- B. The NAHU Executive Committee
- C. The NAHU Board of Trustees
- D. Any state and local association in good standing.

Section 3. Proposed amendments must be submitted in writing to the Secretary at least sixty (60) days prior to the date of the first session of the House of Delegates annual meetings. The Secretary shall send a copy of all proposed amendments to the President of each state and local association not less than forty-five (45) days prior to the date of said annual meeting.

Section 4. Proposed amendments initiated in the House of Delegates at its annual meeting shall not be subject to Section 3 above. Such proposals shall be required to be in writing and be submitted to the House of Delegates at least twenty-four (24) hours before the proposals are considered. Furthermore, it must be verified by the Elections Committee of the convention that all duly registered delegates receive a copy of any proposed amendment in the specified amount of time. Distribution of proposed amendments shall be at the time and cost of the makers of the amendment. For any proposed amendment submitted to the House of Delegates under this section require a vote of two-thirds (2/3) of the delegates present and voting to be consider and further require an affirmative vote of four-fifths (4/5) of the delegates present and voting for approval.

Section 5. All amendments to these bylaws adopted by the House of Delegates shall be effective immediately following the adjournment of the House of Delegates during which they were adopted, unless otherwise ordered.

### **ARTICLE XVIII – Indemnification**

Section 1. This Association shall, by resolution of the Board of Trustees, provide for indemnification by this 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 this 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 XIX - Dissolution**

Section 1. Dissolution of the NAHU requires a three-fourths (3/4) vote of all Active Members.

Section 2. On dissolution of the National Association of Health Underwriters, any funds remaining shall be distributed to one or more organized and qualified educational, scientific or philanthropic organizations to be selected by the NAHU Executive Committee.

#### **ARTICLE XX - Previous Bylaws Superseded**

Section 1. These Bylaws, as revised, supersede all provisions of any previous National Association of Health Underwriter Bylaws.

**-End-**

## **APPENDIX A - NAHU Code of Ethics**

To hold the selling, service and distribution of health, financial and retirement security products and services as a professional and a public trust and to do all in my power to maintain its prestige.

To keep paramount the needs of those whom I serve.

To respect my clients' trust in me, and to never do anything which would betray their trust or confidence.

To give all service possible when service is needed.

To present policies factually and accurately, providing all information necessary for the issuance of sound insurance coverage to the public I serve.

To use no advertising which may be false or misleading.

To consider the sale of health, financial and retirement security products and services as a career, to know and abide by the insurance laws of my state, and to seek to constantly increase my knowledge and improve my ability to meet the needs of my clients.

To be fair and just to my competitors, and to engage in no practices that may reflect unfavorably on myself or my industry.

To treat prospects, clients and companies fairly by submitting applications that reveal all available information pertinent to underwriting a policy.

To be loyal to my clients, associates, fellow agents and brokers, and the company or companies whose products I represent.