

# Bylaws

Adopted April 11, 1996 (date)

## Article I Name of Organization

- Section 1. The name of this professional Association shall be Central Illinois Association of Health Underwriters, a non-profit corporation, incorporated as such under the laws of the State of Illinois. Herein after referred to as The Association or "CI AHU".

## Article II Purposes

- Section 1. The objectives of CI AHU are:
- A. To promote the common business interests of those engaged in disability and risk management.
  - B. To advance public knowledge for the need and benefit of disability income and health insurance products.
  - C. To promote the adoption and application of high standards of ethical conduct in the health insurance industry.
  - D. To provide and promote a program of continuing education and self improvement of CI AHU members.
  - E. To coordinate with the local, state and national Health Underwriter Associations of the United

States and to be a member of the National Association of Health Underwriter federation.

F. To increase the knowledge of members concerning the principles, functions and applications of health insurance and disability income products.

G. To promote education, legislation, regulation and practices which are in the best interest of the health insurance industry and the insuring public.

H. To encourage adequate protection against the hazards of disability as a part of a well-rounded insurance program.

I. 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 National Association of Health Underwriters Code of Ethics, which are considered a part of these bylaws.

## Article III Membership

Section 1.

Membership in CI AHU will be available under the following designations.

A. Individual Members

B. Associate Company

C. Honorary

## D. Sustaining

## E. Life Membership

- Section 2. An individual member may be any individual licensed by his/her state licensing authority for the sale of disability income and health insurance products. Individual members may also include non-licensed individuals engaged in the distribution of disability income and 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 will also be referred to as Active Members.
- Section 3. The fiscal year of The Association shall be the calendar year.
- Section 4. The Association shall set the date of its annual meeting and election of officers and directors. The President and Secretary of The Association, shall immediately upon election, certify to the Illinois State Association of Health Underwriters and to the Executive Vice President of the National Association of Health Underwriters the names and titles and addresses of the officers and directors elected to serve in the ensuing period.
- Section 5. The Association shall have the power to fix its own schedule of dues payable to it by its members.
- Section 6. The Association shall appoint in accordance to the ISAHU bylaws representatives to serve on the ISAHU board. The Association shall recognize and support the positions and activities of various other local association within the State of Illinois and interact with the ISAHU for the common good of all the associations in Illinois.

Section 7. Associate Company membership at the local level shall be available to those companies issuing, administering, or marketing disability and/or health insurance contracts, plans or services, who wish to assist The Association financially. Dues for this category shall be determined by the Board. Each Associate Company member shall designate one person as the company's primary representative in The Association. They will not be members for census or voting purposes unless qualified as an active member in good standing.

Section 8. Honorary members of The Association shall be those individuals who have performed distinguished and meritorious service of recognized value and who are elected to Honorary membership by The CI AHU Board. They will not be members for census or voting purposes.

Section 9. Sustaining members shall be those individuals or organizations who wish to financially assist The Association through a voluntary financial contribution. Such members shall have no special privileges, but may receive special citations and recognition as determined by the Board.

Section 10. A. A Life Membership in The Association shall be granted to those members who are designated National Association of Health Underwriters life members and who wish to participate in the affairs of The Association. Association dues shall be reduced by fifty(50) percent for such Life Members.

B. For any active member in good standing who becomes totally and permanently disabled, all further Association dues will be waived.

- Section 11. The Association will abide by the By Laws of the National Association of Health Underwriters enforce at the time of The Association's incorporation or thereafter adopted or amended from time to time.
- Section 12. A member in good standing, regardless of designation, is one who has paid all dues required by The Association, and state and national associations.
- Section 13. All members in good standing may attend any meeting of The Association provided any required registration fees are paid.
- Section 14. Any individual member more than ninety (90) days in arrears in payment of dues shall be dropped from the rolls as a member in good standing.

## Article V Officers

- Section 1. The Officers of the CIAHU shall be:
- A. President
  - B. President-elect
  - C. Vice President - Marketing
  - D. Vice President - Operations
  - E. Secretary
  - F. Treasurer
  - G. Immediate Past President-

- Section 2. Each officer shall be an active member in good standing of the Association.
- Section 3. All officers shall serve without compensation.
- Section 4.
- A. The President-Elect, Vice President - Marketing, Vice President - Operations, Secretary, Treasurer shall be elected by the members during The Associations Annual Meeting. The President shall also be elected if that office has been filled in accordance with the last sentence of Section 4 D, below.
  - B. All 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 office can be filled in accordance with the first sentence of this section. 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.
  - D. If the office of President becomes 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 the 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 Vice President - Marketing and then the Vice President - Operations.

E. 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 Section 4D, listed above, the President shall appoint a member 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 by the Board. The office itself shall remain vacant until the next regular election.

F. If either of both offices of Vice President - Marketing or Vice - President - Operations become vacant by death, disability, resignation, recall or removal by due process or by succession under Section 4D, listed above, they shall be filled by appointment by the President. The appointment shall be subject to three-fourths (3/4) vote of the Board and shall be only for the unexpired term of the particular office. Appointees shall assume the title and duties of the office.

G. The power to appoint or nominate replacement for any vacancy, except as described in Section 4E above, shall be restricted to unexpired terms that cannot be filled within thirty-one (31) days by the members at the 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, The Executive Committee, and the Membership meeting(s). The President shall appoint all committees formed under this Association except the Nominations Committee. 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 Board Members.

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.

C. The President-Elect shall perform such duties as may be assigned by the President, the Executive Committee, or the Board.

D. The President-Elect shall immediately assume the office of President when that office becomes vacant by reason of death, disability, resignation, recall or removal by due process. The President-Elect shall assume the office of President immediately following the adjournment of the annual meeting of the members in the year subsequent to his/her election to the office of President-Elect.

Section 3.

The Vice President of Marketing and Vice President of Operations shall oversee the activities of the Standing Committees assigned to them by the President, and shall be responsible for other duties as they are assigned to them by the President, Executive Committee, or the Board.

Section 4.

The Treasurer shall submit a financial report at the annual membership meeting. The Treasurer shall oversee the preparation of the annual financial report required by ARTICLE XIV, Section 2. The Treasurer may appoint assistants as is deemed necessary to execute these duties. The Treasurer shall be responsible for other duties as they are assigned by the President, Executive Committee, or the Board.



Section 5. The Secretary shall be responsible for taking the minutes of the meetings of the Executive Committee, the Board and the annual Membership Meeting. 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 the Board.

Section 5. The Immediate Past President shall serve as an advisor to the Executive Committee and the Board, and perform other duties assigned by the President, Executive Committee, or the Board.

Section 6. The Executive Committee or Board may assign specific officers to be ex-officio members of various Standing and Ad Hoc committees.

## **ARTICLE VII Executive Committee**

Section 1. The Executive Committee shall consist of the elected officers of the Association:

- A. The President
- B. President-Elect
- C. Vice President of Marketing
- D. Vice President of Operations
- E. Secretary
- F. Treasurer
- G. Immediate Past President

Section 2.

The Executive Committee may act in the place of the Board between board meetings on all matters except those specifically reserved to the Board and the membership. The Executive Committee shall be responsible for the day-to-day operations of the Association, operating according to the policies established by the Board.

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 upon written request of three (3) members of the Executive Committee.

Section 4.

A quorum for conducting business shall be no less than four (4) voting members of the committee.

Section 5.

The Executive Committee shall have full supervision and management of all meetings of The Association and shall announce the official program and order of business of each meeting.

Section 6.

The Executive Committee may establish a registration fee to be paid by those attending any meeting of The Association. The proceeds derived from such registration fees shall be expended in accordance with the provisions of the budget for the meeting as adopted by the Board.

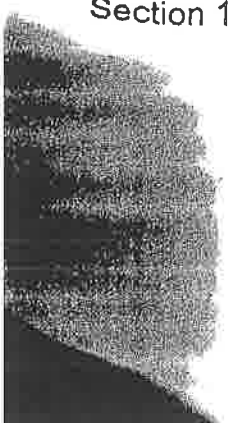
## **ARTICLE VIII The Board**

Section 1.

The Board of The Association shall consist of:

A. The Executive Committee

B. The Chairpersons of the Standing Committees which are the Membership Committee, The Program Committee, The Communications Committee, The



Legislative Committee, The Awards Committee, The Education Committee, the Continuing Education Committee and the Public Service Committee.

- Section 2. The Board shall establish and define policies and have full administrative authority in all matters of The Association.
- Section 3. The Board shall meet at least three (3) regular times each year. It shall also meet at such times and places as may be determined by the President, Executive Committee, or The Board or by written request of seven (7) members of The Board.
- Section 4. A written notice of the time and place of all regular meeting of The Board shall be mailed to each member of The Board by the Secretary not less than fourteen (14) days prior to the meeting.
- Section 5. All meetings of The Board will be open to any member in good standing.
- Section 6. The Board may transact business by mail or electronic means by voting upon proposals presented to them. Any such proposal will be adopted if at least two-thirds (2/3) majority 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 7. A majority of the Board of Trustees shall constitute a quorum for the transaction of business.
- Section 8. The Board shall also execute other specific duties assigned to it throughout these Bylaws.
- Section 9. The interpretation of these Bylaws resides with The Board. Disputes between members, regarding the

Bylaws shall be submitted to The Board in writing and The Board's interpretation shall be in writing and entered into the permanent minutes of The Board.

## **ARTICLE IX Committees**

Section 1. Committees of The Association shall be of three designations.

- A. Standing
- B. Special
- C. Ad Hoc

Section 2. The Standing Committees shall be:

- A. Membership
- B. Program
- C. Communications
- D. Legislative
- E. Awards
- F. Education
- G. Continuing Education
- H. Public Service

Section 3. The President shall appoint the Chairpersons and the members of all Standing, Special, and Ad Hoc committees except the Nominations Committee. All appointments shall be subject to approval by The Board.

- Section 4. The Board 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, Special and Ad Hoc committees are vested in The Board.

## **ARTICLE X Nominations and Elections**

- Section 1. The Chairperson of the Nominating Committee shall be the Immediate Past President or the appointee fulfilling the duties of that office for its unexpired term. The Vice-Chairperson shall be the President-Elect or the appointee fulfilling the duties of that office for its unexpired term. The Nominations Committee Chairperson will appoint a past Association president to serve at large if one is available.
- Section 2. The Board shall appoint three additional members in good standing, who are not current officers of The Association, to serve on the Nominations Committee. These members shall not be running for office. If such should occur, that persons name should be withdrawn and The Board shall appoint another member in good standing to serve.
- Section 3. The Nominations Committee shall render it's report to the Secretary not less than ninety (90) days prior to the annual membership meeting of The Association. Not less than seventy-five (75) days prior to the annual membership meeting, the Secretary shall render a copy to the President. In addition the report shall be published in The Associations newsletter or other suitable communication prior to the annual meeting.

Section 4. A member's name may be presented to the Nominating Committee for consideration as a nominee by any member of the association accompanied by a statement signed by the nominee that the nominee is willing and able to serve if nominated and elected.

Section 5. With the exception of Immediate Past President and President, additional nominations may be made from the floor of the annual meeting while nominations are open for a particular office. In order to qualify, the nominator must present to the Secretary at or before the time of nomination, a signed statement by the nominee that the nominee is willing and able to serve if elected. One nominating and up to two seconding speeches of no longer the five (5) minutes duration each may be made in the nominee's behalf.

## **ARTICLE XI Annual Membership Meeting**

Section 1. The Annual Membership meeting shall consist of:

- A. The Board
- B. The past Presidents of The Association.
- C. Members in good Standing of The Association.

Section 2. Each Board Member, past President and member in good standing shall have one (1) vote.

Section 3. For purposes of transacting the business of the Annual Meeting, a quorum shall be at least a majority of the duly registered participants representing no less than (25%) of the total membership of The Association.

Section 4. The nominee for each office receiving a majority of eligible votes shall be declared elected. An additional vote shall be taken if no candidate receives the necessary majority for election. The two 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 of ballots.

Section 5. Except in the year 1995, the Annual Meeting shall be in the month of May unless physically impossible. In the event the Annual Meeting cannot be held in May, It shall be held in the month of April or June.

Section 6. At the Annual Meeting, the membership may:

A. Elect or remove officers and Board Members of the Association.

B. Suggest and recommend policy to The Board.

C. Amend these Bylaws.

D. Review the actions taken by the officers and The Board and.

E. Establish dues to be paid to The Association.

Section 7. Written notice of the time and place of The Annual Meeting shall be mailed to each member by the Secretary not less than (30) days prior to the meeting. Members desiring to propose items for consideration by the membership shall submit their proposals in resolution form to the Secretary no later than fifteen (15) days prior to the meeting.

Section 8. Special meetings of the membership may be called by a majority vote of the entire Board or upon written notice of (25%) of the membership, provided that the written request state the reason for the meeting. The notice of the Special Meeting shall be sent to

each member by the Secretary stating the reason for the meeting.

Section 9. At each duly called membership meeting, the President shall appoint a Credentials Committee consisting of at least three (3) members in good standing by The Associations records.

## ARTICLE XII Recall and Removal from Office

Section 1. An officer of The Association may be removed for malfeasance of office.

Section 2. A. No officer may be removed from office without a three-fourths (3/4) vote of the membership at an Annual or Special membership meeting. The membership meeting may be convened for purposes of removing an officer if the Board receives written request for the officers removal from a minimum of twenty-five (25) percent of the membership.

B. Notice of recall or removal must be sent by registered mail to the affected individual advising that officer 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 of The Association shall cause the office to be vacant until removal from the office achieved as described in Section 2 of this ARTICLE and a successor is appointed. Recall can be initiated by The Board. Recall can be achieved only by a three-fourths (3/4) vote of The Board.



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

Section 5. Any individual member of The Association shall lose all rights and privileges of office under The Association if their license to sell insurance is revoked or if they are convicted of a felony or gross misdemeanor.

### **ARTICLE XIII Financial**

Section 1. The Fiscal year of The Association shall be 1 January through 31 December.

Section 2. The Board shall install and maintain an efficient system of accounts. There shall be an independent audit of The Associations books every year.

Section 3. The Board shall adopt a budget for the fiscal year not later the 1 November preceding the start of the fiscal year.

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

Section 5. All Disbursements shall be made solely by voucher checks, which show the payee, the items of services(s) rendered or materials purchased and the amount of payments.

Section 6. Disbursements shall not exceed gross annual income or gross amount of the annual budget, except by three-fourths (3/4) vote of The Board.

Section 7. The Treasurer with the approval of The Board shall designate the depositories of all funds of The Association.

Section 8. The Executive Committee shall have the power to authorize such officers and employees as in its judgement may seem advisable to execute theoucher checks aforementioned (provided that copies of all invoices for amounts in excess of five hundred dollars(\$500) shall be initialed by the elected Treasurer or in the Treasurers disability or vacancy from office, to be initialed by the President or President-Elect or elected official) and to do and perform such other acts as will carry out the purposes and objectives of this ARTICLE.

Section 9. An audited statement of finances for The Association shall be presented to the membership at the annual meeting for the fiscal year ending 31 December before the meeting.

## **ARTICLE XIV Official Publication**

Section 1. The Executive Committee shall have full authority regarding questions of policy of the official publication which the Communications Committee shall cause to be published.

Section 2. The Communications Committee shall have complete charge of and responsibility for the issuance of the official publicaition subject to the direction and control of the Executive Committee. The Committee may select an editor and such additional workers as may from time to time be deemed necessary to assist the work of the official publication.

Section 3. The name of the Official Publication shall be approved by The Board.

Section 4. The subscription price of the official publication is part of the regular membership dues. The official publication shall be mailed to each member of The Association.

## **ARTICLE XV Parliamentary Authority**

Section 1. The current edition of 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 XVI Amendments**

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

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

- A. Any member in Good Standing
- B. The Executive Committee
- C. The Board

Section 3. Proposed Amendments must be submitted in writing to the Secretary at least sixty (60) days prior to the date of the Annual or Special membership meeting. The Secretary will send to each member a copy of the proposed amendments not less than (30) days prior to the meeting date.

Section 4. Proposed Amendments initiated at the Annual Meeting or at a Special Meeting shall not be subject to Section 3 above. Such proposals shall be required to be in writing and submitted to the Membership at the beginning of the meeting before the proposals are considered. Furthermore, it must be verified by the Credential Committee of the meeting that all duly registered members receive a copy of any proposed amendment in the specified amount of time.

## **ARTICLE XVII Dissolution**

Section 1. Dissolution of The Association requires a three-fourths (3/4) vote of all active members and life members.

Section 2. On dissolution of The Association, any funds remaining shall be turned over to the Treasurer of the Illinois State Association of Health Underwriters, or if that organization no longer exists, then the funds shall be turned over to the Secretary/Treasurer of National Association of Health Underwriters.

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