

**BYLAWS  
of the  
EAST TEXAS ASSOCIATION OF HEALTH UNDERWRITERS**

**Adopted April 21, 2005  
Amended August 19, 2011**

**ARTICLE I. NAME AND TERRITORIAL LIMITS**

- Section 1.** This organization shall be known as the East Texas Association of Health Underwriters, hereinafter referred to as this Association, a non-profit corporation, incorporated as such under the laws of the State of Texas and chartered by the National Association of Health Underwriters.
- Section 2.** The territorial limits of this Association shall be confined, but not limited to, the ZIP Code areas composed of the counties known as: Smith, Upshur, Rusk, Henderson, Wood, Gregg, Cherokee, and Van Zandt.

**ARTICLE II. ASSOCIATION OBJECTIVES**

- Section 1.** The objectives of the Association and its members are:
- A. To promote the common business interests of its members.
  - 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 provide and promote the continuing education and self-improvement of the Association's members.
  - D. To increase the knowledge of members concerning the principles, functions and applications of health, disability and related insurance products and services.
  - E. To do such other things and to carry out such other programs so as to further the purpose of the Association.
  - F. To promote the CODE OF ETHICS of the National Association of Health Underwriters which is hereby adopted and made part of the bylaws as Addendum 1.
  - G. To be active as an Association in public services and to encourage its members to support and contribute to community activities.

**ARTICLE III. MEMBERSHIP**

- Section 1.** Membership in the Association will be available under the following designations:
- A. Individual Members
  - B. Associate Members
  - C. Honorary Members
- Section 2.** An individual member may be an individual licensed by his/her state licensing authority for the distribution and/or service of health, disability and related insurance products. Individual members may also include non-licensed individuals engaged in the distribution and/or service of health, disability and related insurance products, such as, but not limited to, home office personnel and others engaged in the management, distribution and/or service of such products. Individual members who have paid their annual national, state and local dues will also be referred to as Active members.

- Section 3.** An associate member is an individual member who is a member of NAHU through another local chapter and who pays the local dues of this Association. They will not be members for census or voting purposes but shall enjoy all other membership privileges.
- Section 4.** Honorary members shall be those individuals who have performed distinguished or meritorious service of recognized value and who are elected to honorary membership by the Association Board of Directors. They will not be members for census or voting purposes.
- Section 5.** Any individual member of the Association shall lose all rights and privileges of the Association if their license to sell insurance is revoked or if they are convicted of a felony or gross misdemeanor.

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

- Section 1.** This Association agrees to be bound by the bylaws of the Texas and National Associations of Health Underwriters 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 the Texas and National Associations of Health Underwriters.
- Section 3.** Insofar as possible, this Association shall be represented by its proper delegates, or their duly appointed alternates, at the annual meeting of the National Association of Health Underwriters.

#### **ARTICLE V. OFFICERS**

- Section 1.** The officers of the Association shall be President, President-Elect, Treasurer, Secretary and 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.** 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, or until their successors shall be duly elected and qualified.
- Section 5.** The duties of the officers shall be as follows:
- A. **President.** The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Association and Board of Directors. If the office of the President becomes vacant due to death, disability, resignation, recall or removal by due process, the President-Elect shall assume the office for the unexpired term and the term of President for the succeeding year. If the office of President becomes vacant and there is no President-Elect, the order of succession shall be the Treasurer and then Secretary, provided they are willing and able to serve.
  - B. **President-Elect.** The President-Elect, in the absence of the President, shall preside at all meetings and shall perform such other duties as may be assigned by the President or Board of Directors. The President-Elect shall immediately assume the office of the President when that office becomes vacant by reason of death, disability, resignation, recall, or removal by due process. 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, 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 of approval by the Board of Directors. The office itself shall remain vacant until the next regular election.
  - C. **Treasurer.** The Treasurer shall be responsible for receiving all funds and dues paid to the Association and shall deposit such funds on the order of the Board of Directors. The accounts and books of the Treasurer shall at all times be open to inspection by any member in good standing, or authorized auditor(s). The Treasurer shall be responsible

for the completion and submission of forms required by laws governing the administration and/or tax status of the Association.

- D. Secretary. The Secretary shall be responsible for keeping records of the 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.
- E. Immediate Past President. The Immediate Past President shall serve as an advisor to the Board of Directors, and perform other such duties as assigned by the President or Board of Directors. The office of Immediate Past President shall be filled automatically by the outgoing President.

**Section 6.** Election of Officers:

- A. The President-Elect, Treasurer and Secretary shall be elected by the Association's members.
- B. The aforementioned officers shall be elected for a term of one (1) year.

## **ARTICLE VI. EXECUTIVE COMMITTEE**

**Section 1.** Composition. The Executive Committee shall consist of all Officers and the Board of Directors of the Association.

**Section 2.** Authority and Responsibility. It shall be the duty of the Executive Committee to conduct the affairs of the Association.

**Section 3.** Quorum. A two-thirds (2/3) majority of the Executive Committee shall constitute a quorum at any duly called meeting or vote of the Executive Committee. The President shall call all such meetings of the Executive Committee as the business of the Association may require, or a meeting shall be called by the President on the request of any other three (3) members of the Executive Committee.

**Section 4.** The Executive Committee may transact business through the following means: mail, telecommunications or electronically.

## **ARTICLE VII. STANDING COMMITTEES**

**Section 1.** The standing committees shall, as a minimum, consist of the following: Awards, Professional Development, Historian, Hospitality, Legislation, Media Relations/Technology, Membership, Newsletter, Public Service, Retention, and Symposium.

**Section 2.** Each standing committee chair must be a member in good standing.

**Section 3.** Each standing committee chair shall take office on the first day of July of each year following their appointment by the President, and shall serve for a term of one year, or until their successors shall be duly appointed.

**Section 4.** Each candidate for the Board of Directors other than the Executive Committee will come from the recommendations of the President.

**Section 5.** The responsibilities of the Standing Committees are as follows:

- A. Awards – to achieve recognition of the accomplishments of the Association and its individual members through Local, State and National awards.
- B. Professional Development – to develop and provide basic education, continuing education and training programs through materials, courses and classes. This chair is responsible for educating Association members about the principles, functions and skills in applying techniques of health, disability and related insurance products and services.
- C. Historian – to photograph and document monthly meetings, conventions, and special events for the Association. To compile a book at the end of the Association year comprising all of the events to present to the outgoing President.

- D. Hospitality – to secure a facility to conduct monthly Association meetings and other venues, as necessary, to host or conduct Association business meetings. To negotiate with said facility on cost, menu, and meeting set-up.
- E. Legislation – to communicate reform and legislative issues to the membership for proactive intervention in healthcare reform and formulation of Federal and State legislation. This chair will also obtain individual contributions to the national and state legislative efforts (GRIP/TAHUPAC/HUPAC).
- F. Media Relations/Technology – to promote the contributions of the Association and its individual members through Local, State and National awards and to establish, maintain and promote the Association’s contributions using information technology.
- G. Membership – to recruit new members to grow the Association as a whole and to encourage the membership to become more involved in the Association.
- H. Newsletter – to establish and maintain open lines of communication among the members of the Association. To communicate Association functions and to provide information regarding legislation, education and items of concern or interest to the membership.
- I. Public Service – to develop special activities, promote cohesiveness and public awareness of the Association and to affiliate the Association with public service programs that serve the greater East Texas community.
- J. Retention – to monitor the Association’s membership and encourage members to renew on an annual basis and to encourage the membership to become more involved in the Association.
- K. Symposium – to develop special Symposium activities to raise revenue for the Association for community service projects, education of members, and other general expenses, as well as work on other special projects as requested by the President.

## **ARTICLE VIII. TRUSTEES**

- Section 1.** The Trustees shall consist of a maximum of two (2) members who have served as Immediate Past President of the Association. The President may ask any two (2) Immediate Past Presidents of the Association to serve.
- Section 2.** Trustees will have no voting privileges unless they are present at a Board meeting with no quorum. In cases where there is no quorum, any Trustee(s) present will have full voting privileges in order to facilitate a quorum.

## **ARTICLE IX. BOARD OF DIRECTORS**

- Section 1.** The Board of Directors shall consist of: All Officers, Standing Committee Chairs, and Trustees as described in Article VIII.
- Section 2.** The Board of Directors shall establish and define policies and have full administrative authority in all matters of the Association.
- Section 3.** All meetings of the Board of Directors will be open to any member of the Association in good standing.
- Section 4.** A 2/3 majority of the Board of Directors shall constitute a quorum for the transaction of business.
- Section 5.** Prompt and regular attendance at Board meetings is required for all Board of Director members. Board members will be held responsible for contacting the President prior to a planned absence. A total of four (4) absences could result in expulsion from the Board of Directors. In order to expel a member from the Board, a two-thirds (2/3) majority vote of the Board of Directors is required.
- Section 6.** The Board of Directors and elected officers shall not receive any compensation for their services. The Board of Directors may authorize the reimbursement of its members for

expenses incurred on the behalf of the Association or in attendance of the Association authorized meetings.

- Section 7.** An Officer may be removed from office with a three-fourths (3/4) vote of the entire Board of Directors.
- Section 8.** Removal by due process of an Officer requires notification prior to the vote for the removal from office. Notice of recall or removal must be sent to the affected individual advising him/her of the action taken or about to be taken.

## **ARTICLE X. DUES AND FINANCE**

- Section 1.** The fiscal year of the Association shall be July 1 through June 30.
- Section 2.** The Association's book of accounts shall be reviewed and/or audited at least once each fiscal year. The Board of Directors shall name the auditors/reviewers.
- Section 3.** The Board of Directors shall adopt a budget for the fiscal year not later than August 15 of the fiscal year.
- Section 4.** The Treasurer, 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 Directors, in such sum as the Board shall prescribe.
- Section 5.** All disbursements of the Association shall be made solely by voucher checks, which shall show the payee, the items of service rendered or materials purchased, the amount of payment and any applicable invoice number. All voucher checks must be signed by two (2) approved Board members.
- Section 6.** Disbursement shall not exceed gross annual receipts, unless approved by three-fourths (3/4) vote of the members of the Board of Directors. The Association may not borrow funds from any source.
- Section 7.** The Executive Committee shall have the power to authorize such individuals as in its judgment may seem advisable to execute the voucher checks aforementioned.
- Section 8.** The Executive Committee shall designate the depositories of all funds of the Association.
- Section 9.** As soon as possible, after the receipt of the auditor's annual report following the close of the fiscal year, the Treasurer shall deliver to the Board of Directors the balance sheet and a statement of receipts and the expenditures of the Association for the previous year which has been duly certified by the auditors/reviewers.
- Section 10.** Each active member of this 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 the National Association of Health Underwriters. All dues shall be submitted to and through the National Association of Health Underwriters. 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.
- Section 11.** The Board of Directors shall determine the amount of annual dues of this Association. This Association's dues may only be charged once a year and will be in effect from January 1 through December 31 each year. Not later than the fifteenth (15<sup>th</sup>) of September of each year, or a date specified by the National Association of Health Underwriters, if this Association plans to increase or decrease its local chapter dues for the following calendar year, the President shall advise the National Association of Health Underwriters in writing of the Board-approved dues for the following year.

## **ARTICLE XI. INDEMNIFICATION**

- Section 1.** Directors and Officers Liability - 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 XII. OFFICIAL PUBLICATION**

- Section 1.** The Executive Committee shall have full authority, regarding questions of policy and editorial content, of the official publication which said committee shall cause to be published.
- Section 2.** The Editor of the "ETAHU Review" shall have complete charge of, and responsibility for, the issuance of the official publication, subject to the direction and control of the Executive Committee. The Editor may appoint assistants as is deemed necessary to execute these duties.
- Section 3.** 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 XIII. PARLIAMENTARY AUTHORITY**

- Section 1.** The current edition of ROBERT'S RULE OF ORDER shall be the Parliamentary Authority for all matters of procedure not specifically covered by these Bylaws.

## **ARTICLE XIV. DISSOLUTION**

- Section 1.** The Association shall use funds only to accomplish the objectives and purposes specified in the Bylaws and no part of said funds shall inure or be distributed to the members the Association. In the event it is disbanded or the charter revoked for cause in violation of the Bylaws of NAHU, the last treasurer of record or other person in possession of the funds or assets shall submit them to the Treasurer of TAHU. After a period of one year, if the Association has not been reactivated or a new Association organized and chartered, escrowed funds shall become part of the general funds of TAHU.

## **ARTICLE XV. AMENDMENTS**

- Section 1.** Any amendment of these Bylaws, if in the conformity with the policy of NAHU, may be adopted by a two-thirds (2/3) vote of the Board of Directors of the Association, provided that written notice of the meeting and of the proposed amendment shall have been given to the members at least thirty (30) days prior to the meeting.

## **Addendum 1.**

### **NAHU's Code of Ethics**

- To hold the selling, service and administration of health insurance and related products and services as a professional and public trust and 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 I know may be false or misleading.
- To consider the sale, service and administration of health insurance and related products and services as a career, to know and abide by the laws of any jurisdiction Federal and State in which I practice and seek constantly to 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 which may reflect unfavorably on myself or my industry.
- To treat prospects, clients and companies fairly by submitting applications which reveal all available information pertinent to underwriting a policy.
- To extend honest and professional conduct to my clients, associates, fellow agents and brokers, and the company or companies whose products I represent.