

BYLAWS OF  
NORTH COAST ASSOCIATION OF HEALTH UNDERWRITERS

A California Nonprofit Corporation

Date of adoption: *June 2, 2006*

*Amended March 23, 2017*

**ARTICLE I:  
NAME, OFFICE, AND TERRITORIAL LIMITS**

**Section 1. Name.**

The name of this Corporation shall be North Coast Association of Health Underwriters (hereinafter referred to as the "Corporation").

**Section 2. Offices of the Corporation.**

The principal office of the corporation shall be the address of the person serving as Executive Director of the Corporation. The Board of Directors may change the principal office from one location to another. Branch or subordinate offices may be established at such other locations as may be determined from time to time by the Board of Directors.

**Section 3. Affiliation and Territorial Limits.**

This Corporation is part of the Federation of state and Local Associations that are Members of the National Association of Health Underwriters ("National Association"). The territorial limits of this local association shall be the counties of Del Norte, Humboldt, Marin, Mendocino, Napa, and Sonoma in the State of California.

**ARTICLE II:  
PURPOSES**

**Section 1. General Purpose.**

The purpose of this Corporation is to engage in any lawful act or activity in order to promote the common business interests of those involved in the health, disability, and related insurance products and service industry.

**Section 2. Specific Purposes.**

Within the context of the general purpose listed above, this Corporation adopts the following specific purposes:

1. To promote the adoption and applications of high standards of ethical conduct in the health insurance industry.
2. To advance public knowledge for the need and benefit of disability and/or health insurance and the role of the health insurance industry in meeting those needs.
4. To promote education, legislation, regulations, and practices that are in the best interests of the health insurance industry and the insured public.
5. To provide and promote a program of continuing education and self-improvement for the Corporation's Members.
6. To affiliate with and promptly discharge all lawful obligations imposed upon the Corporation by the National Association. The Corporation hereby agrees to be bound by the Bylaws of the National Association so long as those provisions do not conflict with federal, state, or local law.

**ARTICLE III:  
TYPE OF CORPORATION**

This Corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to its Members. This Corporation is organized solely for nonprofit purposes. No part of the profits of net income of this Corporation shall ever inure to the benefit of any Director, Officer, or Member thereof, or to any individual. Upon the dissolution or

winding up of the Corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this Corporation, shall be distributed, to the National Association, a corporation exempt pursuant to Section 501(c)(6) of the Internal Revenue Code or, if that organization is no longer in existence, a nonprofit fund, foundation, or corporation which has established its tax exempt status under section 501(c) of the Internal Revenue Code.

## **ARTICLE IV: MEMBERS AND MEMBERSHIP DUES**

### **Section 1. Classes of Membership.**

The Corporation shall have four classes of Members designated as active, life, associate, and honorary (“Members”).

### **Section 2. Active Membership.**

Active Members shall be individuals engaged in the distribution of disability income and/or health insurance products such as agents, brokers, supervisors, general agents, managers, home office personnel, and others engaged in management and distribution. To be eligible to vote, active Members must be Members in good standing with their dues paid current in the Corporation, the State Association and the National Association.

### **Section 3. Associate Membership.**

Associate Members are individuals who are already members in good standing of the State Association and the National Association and who also want to join NCAHU for its local membership benefits. Associate Members are not eligible to vote and Associate Members are not eligible to serve as Delegates to the State Association or National Association. Associate Member are not eligible to serve as Officers of the Corporation.

### **Section 4. Life Membership.**

Any person who has been an active Member of the Corporation in good standing for a minimum of ten (10) continuous years and has reached the age of 65 and is retired or disabled shall have the privilege of life membership status with the reduction of dues in the amount of fifty (50) percent. This life membership status shall be automatic when qualifications are met and applications made are approved. To be eligible to vote, life Members must be Members in good standing with their dues paid current in the Corporation, the State Association and the National Association.

### **Section 5. Honorary Membership.**

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 Corporation's Board of Directors. Honorary Members shall not be entitled to vote.

### **Section 6. Voting Members.**

Active, associate and life Members shall be designated as “Voting Members” and shall be entitled to vote as set forth in these Bylaws. Voting Members shall vote on the election of Directors to the Corporation’s Board of Directors, as provided below, and on any other business that the Board of Directors elects to bring before the Members for vote.

### **Section 7. Termination of Membership.**

A Member may voluntarily terminate membership by notifying the Corporation in writing of the Member’s desire to terminate membership. The Corporation may terminate membership if a Member fails to pay membership dues by the Member’s renewal date. The Corporation may also terminate a Member for cause, in accordance with applicable state and federal regulations, after providing the

Member with written notice of the Corporation's intent to terminate membership for cause and providing the Member with thirty (30) calendar days to appeal the termination of membership to the Corporation's Board of Directors.

### **Section 8. Membership Dues**

The Corporation shall have the power to fix its own schedule of dues payable by its Members, subject to ratification of the Voting Members of the Corporation, as defined below. The National Association shall be notified of dues increases or reductions before September 1 of each year and changes in dues shall not take effect until the following January 1.

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 sixty (60) days in arrears in payment of dues shall be dropped from the rolls as a member in good standing.

## **ARTICLE V: DELEGATES AND ALTERNATE DELEGATES**

### **Section 1. Delegates and Alternate Delegates.**

The National Association and the State Association determine the number of Delegates to which the Corporation is entitled. The Board of Directors of the Corporation shall appoint Delegates and Alternate Delegates to fill these positions and shall register the names of appointed Delegates and Alternate Delegates with the National Association and the State Association. Delegates and Alternate Delegates must be members in good standing and must be qualified to represent the Corporation in the National Association's House of Delegates and the State Association's House of Delegates. If a Delegate is unable to attend any meeting of the Delegates, an alternate Delegate may attend the meeting and vote in lieu of the Delegate who was unable to attend the meeting.

### **Section 2. Term of Office for Delegates and Alternate Delegates.**

A Delegate or Alternate Delegate shall serve for a one-year term commencing from the date of appointment by the Board of Directors and continuing until the Board of Directors appoints a replacement the following year.

### **Section 3. Removal of Delegates or Alternate Delegates.**

Any Delegate or Alternate Delegate may be removed by the Board of Directors at any time, pursuant to these bylaws, and subject to applicable state and federal laws. Any Delegate who is the subject of removal proceedings shall be given at least thirty (30) days notice of such proceedings and shall be given an opportunity to appeal the proceedings to the Board of Directors.

## **ARTICLE VI: MEETINGS OF MEMBERS**

### **Section 1. Annual Meeting.**

An annual meeting of the Members shall be held in the second quarter of each calendar year at any place within the State of California as designated by the Corporation's Board of Directors for the purpose of electing the Corporation's Directors and for the transaction of such other business as may come before the meeting of Members. The annual meeting of Members shall be held pursuant to the provisions of these Bylaws and in accordance with applicable state and federal laws. Only Voting Members shall be entitled to vote on the election of the Corporation's Directors or on other business that may come before the meeting of Delegates.

## **Section 2. Special Meetings.**

A special meeting of the Members for any lawful purpose may be called at any time as provided by law. A special meeting may be called by the Board of Directors, the President, or five (5) or more Directors. The party or parties who call the special meeting shall serve a written request to the President or any Officer of the Corporation specifying the general nature of the business proposed to be transacted. The President or Officer who receives the request for a special meeting shall advise the Corporation's Board of Directors of the request within five (5) working days. The Corporation's Board of Directors shall fix a date and time for the special meeting within ten (10) working days of notification of the request for the special meeting. The date and time of the special meeting shall be at least thirty-five (35) but not more than ninety (90) calendar days after initial receipt of the request for the special meeting. The Board of Directors shall provide written notice of the special meeting to the Members entitled to vote. The written notice to the Members shall be given at least fourteen (14) calendar days prior to the date and time of the special meeting and the written notice shall specify the date, time, and location of the special meeting.

No business, other than business of the general nature as set forth in the notice of the special meeting, may be transacted at a special meeting.

## **Section 3. Notice of Meetings.**

Notice of any meeting of Members shall be in writing and shall be given at least fourteen (14) but no more than ninety (90) calendar days before the meeting date. The notice shall be given either by personal delivery; first-class registered or certified mail with charges prepaid; by facsimile; or by other means of written communication; and shall be addressed to each Member entitled to vote, at the address of that Members appearing on the books of the Corporation for purposes of notice.

The written notice shall specify the location, date, and hour of the meeting and, (1) for special meetings, the general nature of the business to be transacted, or (2) for the annual meeting, those matters that the Board, at the time notice is given, intends to present for action by the Members. The notice of any meeting at which Directors of the Corporation are to be elected shall include the names of all those who are nominees at the time notice is given.

The unanimous approval of the Members entitled to vote shall be required to transact the following items of business unless the written notice of the meeting, or the waiver of notice as set forth in Article VII, Section 8, of these Bylaws, states the general nature of the following business proposed to be transacted:

- a. Removal of a Director with or without cause;
- b. Amending the Corporation's Articles of Incorporation;
- c. Approval of a contract or transaction between the Corporation and one or more Directors, or between the Corporation and any entity in which a Director has a material financial interest;
- d. Electing to wind up and dissolve the Corporation;
- e. Approval of any plan to distribute the Corporation's assets that is not in accordance with liquidation rights of any class or classes of membership as specified in the Corporation's Articles of Incorporation or these Bylaws, when the Corporation is in the process of winding up.

A quorum of voting Members shall be sufficient to transact the above described items of business if the written notice of the meeting or the waiver of notice as set forth in Article VI, Section 8, of these Bylaws states the general nature of the business to be transacted as described in this Section 3.

**Section 4. Quorum and Transacting Business.**

One-third of the Members, attending in person, shall constitute a quorum for a meeting of the Members. If a quorum is present, a vote of the majority of Members present shall decide any question brought before such meeting, unless a greater proportion is required by law, the Corporation's Articles of Incorporation, or these Bylaws. The Members present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum in attendance at the meeting, if any action taken is approved by at least a majority of the Members required to constitute a quorum. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting without further notice.

**Section 5. Voting in Person or By Ballot.**

Every Member entitled to vote shall do so in person or by written ballot procedure pursuant to the California Corporations Code.

**Section 6. Manner of Casting Votes.**

Voting may be done by voice or secret written ballot except that election of Directors shall be by secret written ballot. Each Member entitled to vote shall be entitled to cast one (1) vote on each matter submitted to a vote of the Members.

**Section 7. Action Without a Meeting.**

Any action required or permitted to be taken by the Members may be taken without a meeting, if all Members consent in writing to the action. The written consents shall be filed with the minutes of the proceedings of Members. The action by written consent shall have the same force and effect as the unanimous vote of the Members.

**Section 8. Waiver of Notice.**

The transaction of any meeting of Members, however called or noticed and whenever held, shall be as valid as though taken at a meeting duly held after a regular call and notice, if (1) a quorum is present and (2) either before or after the meeting, each Member entitled to vote, who is not present in person signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of Members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Article VI, Section 3 of these Bylaws, the waiver of notice, consent, or approval shall state the nature of the business. All such waivers, consents, or approvals shall be filed with the Corporation records or made a part of the minutes.

**ARTICLE VII: BOARD  
OF DIRECTORS**

**Section 1. Powers and Duties.**

Subject to the limitations of these Bylaws, the Corporation's Articles of Incorporation, and state and federal laws, the affairs of the Corporation shall be managed, and all Corporation powers shall be exercised by, or under the direction of, the Board of Directors. The Board of Directors shall provide for the prompt review, approval, and forwarding of all reports requested or required by the National Association.

The Board of Directors shall have the following duties:

1. Perform any and all duties imposed on them collectively or individually by law, by the Corporation's Articles of Incorporation, or by these Bylaws;

2. Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all agents, and employees of the Corporation;
3. Supervise all agents, and employees of the Corporation to assure that their duties are performed properly;
4. Meet at such times and places are required by these Bylaws;
5. Register their addresses with the Secretary of the Corporation, and notices of meeting mailed or sent by facsimile transmission to them at such addresses shall be valid notices thereof.

**Section 2. Number and Tenure.**

The Corporation shall have not fewer than three (3) or more than nineteen (19) Directors. The exact number of Directors shall be fixed, within the specified limits, by a resolution adopted by the Board of Directors.

Each Director shall hold office until the next annual meeting of the Members or until a successor has been elected or appointed and qualifies to serve.

**Section 3. Qualifications of Directors.**

Directors shall be of the age of majority in this state. Any Voting Member of the Corporation in good standing shall be eligible to serve as a Director with the following exception: any Voting Member can be ruled ineligible to serve as Director or Officer of the Corporation by the Board of Directors if his/her election will result in more than fifty percent (50%) of the Board Members having the same employer;

**Section 4. Regular Meetings.**

Regular meetings of the Board of Directors shall be held at any location designated from time to time by resolution of the Board of Directors. Board meetings shall be held at least once each quarter.

**Section 5. Special Meetings.**

Special meetings of the Board of Directors may be called by the President, the President-Elect, or by a majority of the Directors pursuant to noticing provisions set forth in Article VI, Section 3, of these Bylaws.

**Section 6. Notice of Special Meetings.**

Notice of any special meeting of the Board shall be given at least forty-eight (48) hours before the meeting either personally or by telephone, telegram, facsimile, email or other electronic means or four (4) days advance notice if by first-class mail. All such notices shall be given or sent to the Director's address, telephone number or email address as shown on the records of the Corporation. The notice shall state the time and place of the meeting but need not specify the purpose of the meeting.

**Section 7. Quorum.**

Fifty percent (50%) of the authorized number of Directors shall constitute a quorum. The Directors may continue to transact business during a meeting at which a quorum is initially present notwithstanding the withdrawal of any Directors if any action is approved by at least a majority of the required quorum for that meeting.

Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion with the President shall entertain at such meeting is a motion to adjourn.

**Section 8. Manner of Acting.**

Actions of the Board shall be taken by a majority of the Directors present at a meeting duly held at which a quorum is present unless a greater number of Directors is required by law.

**Section 9. Waiver of Notice.**

Notice of a meeting need not be given to any Director who either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made part of the minutes of the meetings. Notice of a meeting shall not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

**Section 10. Action Without a Meeting.**

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all Members of the Board individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent shall be filed with the minutes of the proceedings of the Board.

**Section 11. Participation in Meetings by Means of Conference Telephone.**

Members of the Board may participate in a meeting of the Board by means of a conference telephone or similar communication equipment as long as all persons participating in the meeting can hear each other. All Directors participating by means of conference telephone or similar communications equipment shall be deemed to be present in person at such meeting.

**Section 12. Attendance at Meetings.**

Members of the Board shall be encouraged to attend at least seventy-five percent (75%) of all regular meetings, special meetings, and any other Board event in order to run for reelection or any other office. If a Director who has more than two (2) unexcused absences during his/her term of office runs for reelection, Members will be advised of his/her attendance record.

**Section 13. Vacancies on the Board of Directors.**

Vacancies on the Board of Directors shall exist (1) on the death, resignation, or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board shall vote to fill any vacancy occurring in the Board, except a vacancy created by the removal of a Director, in which case, such vacancy shall be filled by a vote of the Members.

A Director appointed to fill a vacancy shall hold office during the unexpired term of his/her predecessor in office and until his/her successor is elected and qualifies.

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

**Section 14. Resignations.**

Any Director may resign effective upon giving written notice to the President, Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the Corporation would be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Office of the Attorney General or other appropriate agency of this state. If the resignation of a Director is effective at a future time, the Board may elect or appoint a successor to



take office as of the date when resignation become effective. The Board may accept a resignation prior to filling the vacancy with a successor.

**Section 15. Recall and Removal from Office.**

No Director may be removed from office without three-fourths (3/4) vote of the Members. A meeting of the Members may be convened for purposes of removing a Director in accordance with Article VI, Sections 1, 2, and 3, of these Bylaws.

Written requests initiating removal of Director require signatures from a minimum of twenty-five percent (25%) of the Members. In accordance with Article VI, Section 3, written notice of recall or removal must be sent by registered mail to the Director advising him/her of the action proposed to be taken.

Notwithstanding the above, any Director who misses more than two (2) consecutive Board of Directors meetings with absences which are not excused by the President, may be subject to removal by a vote of two-thirds (2/3rds) of the Board of Directors.

**Section 16. Compensation.**

Directors shall not receive compensation for their services as members of the Board. Nothing herein shall be construed to preclude any Director from serving the Corporation in any other capacity as an Officer, agent, employee, or otherwise, and receiving reimbursement for reasonable expenses, as may be fixed or determined by resolution of the Board of Directors.

**ARTICLE VIII:  
ELECTION AND APPOINTMENT OF DIRECTORS**

**Section 1. Election or Appointment of Directors.**

The Members shall elect the Board of Directors at the annual meeting of the Members. If a vacancy occurs on the Board of Directors after the annual election, the Board of Directors can appoint Members to fill the vacancy in accordance with Article VII, Section 13.

**Section 2. Solicitation of Votes.**

The Board of Directors shall adopt procedures that provide a reasonable opportunity for a nominee to the Board of Directors to communicate to Members the nominee's qualifications and reason for the nominee's candidacy. The nominee shall be given a reasonable opportunity to solicit votes. The Board of Directors shall also provide all Members with a reasonable opportunity to choose among the nominees.

**ARTICLE IX:  
OFFICERS**

**Section 1. Officers.**

The Officers of the Corporation shall be a President, President-Elect, Immediate Past President, Secretary, and Treasurer. Officers shall have powers and duties as specified herein and as may be additionally prescribed by the Board of Directors.

**Section 2. Election and Term of Office.**

The Officers of the Corporation, with the exception of the Immediate Past President, shall be elected annually by the Members at the annual meeting of the Members. Each Officer shall hold office for a one-year term or until a successor shall have been elected and qualifies. Terms shall commence on July 1 of each year.

**Section 3. Resignation.**

Any Officer may resign in accordance with the provisions set forth in Article VII, Section 14, of these Bylaws.

**Section 4. Vacancies.**

Vacant offices may be filled in accordance with Article VII, Section 13, of these Bylaws.

**Section 5. Qualifications of Officers.**

Any Active or Life Member of the Corporation who meets the qualifications set forth in Article VII, Section 4, of these Bylaws shall be eligible to serve as an Officer of the Corporation except that any nominee for the office of President and/or President-Elect must have served on the Board of Directors of the Corporation in the year immediately preceding his/her election to the position of President-Elect.

**Section 6. President.**

The President shall be the General Manager and Chief Executive Officer of the Corporation and shall supervise, direct, and control the Corporation's affairs. The President shall, if present, preside at all meetings of the Corporation and the Board of Directors. The President shall make appointments to and remove Members from various non-standing committees, task forces, and study groups of the Corporation and shall be an ex-officio Member of all such bodies.

The President shall perform all duties incident to his/her office and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he/she shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments that may from time to time be authorized by the Board of Directors.

Immediately following the annual meeting of the Delegates, the President shall certify to the Executive Vice President of the National Association the names, addresses, and telephone numbers of the officers of the Corporation elected at the meeting.

**Section 7. President-Elect.**

The President-Elect shall be the presumed successor to the President. The provisions of this Section of these Bylaws notwithstanding, the President-Elect can be challenged at the Board of Directors meetings by a two-thirds (2/3) vote and if successfully challenged, shall not be nominated for the Presidency of the Corporation and a replacement will be elected at the next meeting of the House of Delegates. The President-Elect shall preside at all meetings of the Corporation and the Board of Directors in the President's absence.

- A. The President Elect shall perform such duties as may be assigned by the President, the Executive Board, or the Board of Directors.
- B. 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.
- C. In the absence of an Immediate Past President, the President-Elect may serve as the Chairperson of the Corporation's Nominations Committee.

**Section 8. Immediate Past President.**

The Immediate Past President shall serve as a Member of the Board of Directors and shall perform such other duties as are assigned by the President and the Board of Directors. He/she shall serve as the Chairperson of the Corporation's Nominations Committee.

## **Section 9. Secretary.**

The Secretary of the Corporation, shall:

1. Certify and keep, or cause to be kept, at the principal office of the Corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date;
2. Keep, or cause to be kept, at the principal office of the Corporation, or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, committees, and Members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof;
3. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
4. Be custodian of the records and of the seal of the Corporation and affix the seal, as authorized by law or the provisions of these Bylaws, to duly executed documents of the Corporation;
5. Keep, or cause to be kept, at the principal office of the Corporation a record of all Members containing the name and address of each and any Members and in the case where any membership has been terminated, he/she shall record such fact in the membership records with the date on which such membership ceased;
6. Exhibit at all reasonable times to any Director or Member of the Corporation or to the Corporation's agent or attorney, on request therefore, records as set forth in Article XIV;
7. In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

## **Section 10. Treasurer.**

The Treasurer shall act as the Corporation's Chief Financial Officer and shall keep, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall:

1. Provide the Members and Directors with such financial statements and reports as are required by law, these Bylaws, or the Board of Directors;
2. Be responsible for the completion and submission of all required tax filings;
3. Deposit, or cause to be deposited, all monies and other valuables in the name of the Corporation in such banks, trusts, or depositories as shall be selected by the Board of Directors;
4. Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever;
5. Disburse, or cause to be disbursed, the Corporation's funds as may be directed by the Board of Directors, taking proper vouchers for such disbursements;
6. Sign or countersign all checks;
7. Keep, or cause to be kept, adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
8. Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation or to his/her agent or attorney upon request therefor;
9. In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

The Treasurer may be required to give the Corporation a bond at the discretion of the Board of Directors. The Treasurer shall serve as the Chair of the Finance Committee and the Ways and Means Committee, if

such committees exist. The Treasurer shall preside over the meetings and activities of the Finance Committee and Ways and Means Committee and shall report on its activities to the President and the Board of Directors upon request.

### **Section 11. Executive Director.**

The Executive Director shall serve as an ex officio (non-voting) Member of the Board of Directors and of all committees. The Executive Director shall be responsible for the mailing of notices and maintaining a book of minutes of all meetings, proceedings, and actions of the Board of Directors, the committees of the Board, and meetings of the Members.

The Executive Director shall keep at the principal office of the Corporation a copy of the Articles of Incorporation and the Bylaws as amended to date.

The Executive Director shall be responsible for directing the efforts and activities of the Corporation based on policy determined by the President and the Board of Directors.

## **ARTICLE XI: COMMITTEES**

### **Section 1. Standing Committees.**

The Corporation shall maintain the following standing committees:

a. Executive Committee. The President of the Corporation shall serve as Chairperson of the Executive Committee, which shall consist of all of the Officers. The Executive Committee may act on behalf of the Board of Directors with respect to matters requiring immediate attention between meetings of the Board of Directors. Any decisions of the Executive Committee shall be subject to ratification at the next meeting of the Board of Directors.

b. Membership Committee. In conjunction with the State Association, the Membership Committee shall encourage existing members to renew their memberships and new members to join the Corporation.

c. Legislative Committee. In conjunction with the State Association, the Legislative Committee shall encourage Members to: (1) attend the annual legislative conferences sponsored by National Association and the State Association; (2) participate in grassroots legislative activities; (3) become personally acquainted with their State and federal elected representatives; (4) participate on the State Association's Bill Review Committee that examine laws and regulations, existing or proposed, that affect the health insurance industry and those engaged therein, and submits its recommendations and resolutions concerning such laws and regulation to the Board of Directors of the State Association; and (5) to keep Members informed about existing or proposed legislation and regulations of interest to the Members.

d. Education Committee. The Education Committee shall coordinate the development of and promote continuing education programs for the benefit of the Members. The Education Committee shall work to offer continuing education programs at as many meetings as possible. The Education Committee is responsible for processing all paperwork required by the Department of Insurance to insure that members obtain credit for the continuing education programs they attend.

e. Communications Committee. The Communications Committee shall coordinate all correspondence between the Corporation and Members. The Communications Committee is also responsible for the Corporation's newsletter.

f. Ways and Means Committee. Annually, the Ways and Means Committee shall prepare a budget of estimated income and expenditures for submission to the Board of Directors. The Committee shall advise the President on fiscal matters and may recommend during the fiscal year amendments to the budget. The Ways and Means Committee may also recommend changes in investment and fiscal policies subject to approval and adoption by the Board of Directors. The Treasurer shall serve as Chair of the Ways and Means Committee. The President, President-Elect, and chairs of all standing committees shall serve as the members of the Ways and Means Committee.

h. Political Action Committee. The Political Action Committee shall encourage members to contribute to the State Association's political action committee.

i. Media Relations Committee. The Media Relations Committee shall develop programs designed to inform the news media and the public regarding the goals, purpose and objectives of the Corporation and shall encourage the individual Members to participate in worthy activities that enhance the Corporation's standing in the public arena.

j. Special Events Committee. The Special Events Committee shall be responsible for fund raising and special events and activities.

k. Awards Committee. The Awards Committee should be chaired by the Immediate Past President. The Committee shall prepare and nominate Members, projects, activities, or the Corporation for awards made by the National Association or the State Association.

l. Nominations Committee The Nominations Committee shall be composed of the President-Elect, the Immediate Past President of the Corporation who shall serve as the Chairperson, the President, and two Members to be appointed by the President. If the Immediate Past President is unavailable, the President-Elect or any other Past President may serve in the capacity of Chairperson.

The Nominations Committee shall recruit candidates for Directors to be elected at the annual meeting of Members and shall submit this list to the Board of Directors. In the case of a vacancy in an office or in the case of the inability or ineligibility of a Director to serve in his/her elected position, the Committee shall nominate a replacement candidate and shall submit such recommendation to the Board of Directors.

The Nominations Committee shall select candidates to serve on the Board prior to the close of nominations. In addition, any Member may nominate additional individuals to serve as a Director. A written petition of such additional nominees signed by the Member making the nominations shall be presented to the President of the Corporation prior to the close of nominations.

The report of the Nominations Committee along with the names of additional nominees for Director shall be included in the written notice of the annual meeting of Members. Any other nominations must be made from the floor during the meeting of the Members.

## **Section 2. Composition of Standing Committees.**

Committee Chairs must be Members in good standing but they do not need to be elected to serve on the Board of Directors. Any Member in good standing may chair one or more standing committees.

The Chair of each standing committee shall recruit members to serve on the committee. Committee members serve one-year terms at the pleasure of the committee Chair.

All standing committees are advisory to the Board of Directors. Committees operate with the powers, authorities, and budget as prescribed by the Board of Directors.

**Section 3. Meetings of Standing Committees.**

All standing Committees shall meet at the call of their respective chairpersons or at the call of the President of the Corporation. The chairperson of any standing committee may request individuals who are not Members of the particular committee to attend committee meetings in order to provide information and advise to the committee. The committee chairperson shall notify the President when an individual who is not a Member of a particular committee is asked to attend.

Meetings of Committees shall be governed by, noticed, held, and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its Members for the Board of Directors and its Members, except that the time for regular and special meetings of committee may be fixed by resolution of the Board of Directors or by the Committees. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees.

**Section 4. Ad Hoc Committees.**

The President, with the approval of the Board of Directors, may create other committees, study groups and task forces which he/she deems necessary to carry out the purposes of the Corporation. The President shall appoint the Chair and all members of ad hoc committees, study groups, and task forces.

**ARTICLE XI:  
FISCAL YEAR**

The fiscal year of the Corporation is July 1 through June 30.

**ARTICLE XII: INDEMNIFICATION OF  
DIRECTORS, OFFICERS AND OTHER  
CORPORATE AGENTS**

**Section 1. Indemnification.**

The Corporation shall, to the fullest extent permitted by law, indemnify and hold harmless its Officers, Directors, agents, employees and other persons described in Section 7237(a) of the California Corporations Code including persons formerly occupying any such positions, from and against any and all expenses, judgments, fines, and settlements and other amounts actually and reasonably incurred by them in connection with any “proceedings”, as that term is defined in Section 7237(a). and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in Section 7237(a). “Expenses”, as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

**Section 2. Advancement of Expenses.**

On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall promptly call a meeting of Members. At that meeting, the Members shall determine under Section 7237(e) whether the applicable standard of

conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Members present at the meeting in person shall authorize indemnification.

### **Section 3. Insurance.**

The Corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors, Officers, employees, or other agents against any liability asserted against or incurred by any Directors', Officers', employees', or agents' status as such.

### **Section 4. Non-Liability of Directors.**

The Directors shall not be personally liable for the debts, liability, or other obligations of the Corporation.

## **ARTICLE XIII: EXECUTION OF INSTRUCTIONS, DEPOSITS, AND FUNDS**

### **Section 1. Execution of Instruments**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

### **Section 2. Checks and Notes**

Except as otherwise specifically approved by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the Treasurer or the Treasurer's designee.

### **Section 3. Deposits**

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

### **Section 4. Gifts**

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this Corporation.

## **ARTICLE XIV: CORPORATE RECORDS AND REPORTS,**

### **Section 1. Maintenance of Corporate Records**

The Corporation shall keep at its principal office:

1. Minutes of all meetings of Directors, committees, and Delegates indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present, and the proceedings thereof;
2. Adequate and correct books and records of account, including accounts of the Corporation's properties and business transactions and accounts of the Corporation's assets, liabilities, receipts, disbursements, gains, and losses;
3. A record of the Corporation's Members indicating their names and addresses and the class of membership held by each Member and the termination date of any membership;

4. A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date which shall be open to inspection by the Members of the Corporation at all reasonable times during normal office hours.

### **Section 2. Directors' Inspection Rights**

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Corporation and shall have such other rights to inspect the books, records, and properties of the Corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law. If a Director requires copies, the Director shall pay reasonable costs for such copies.

### **Section 3. Members' Inspection Rights.**

Each and every Member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a Member:

1. To inspect and copy the record of all Members' names, addresses, and voting rights at reasonable times, upon written request of the Secretary of the Corporation, which request shall state the purpose for which the inspection rights are requested;
2. To obtain from the Secretary of the Corporation upon written request and payment of a reasonable charge to the Secretary of the Corporation, a list of the names, addresses, and voting rights of those Members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the Member subsequent to the date of request. The request shall state the purpose for which the list is requested. The Members list shall be made within no more than the (10) days after the request is received by the Secretary of the Corporation or after the date specified therein as of which the list is to be compiled;
3. To inspect at any reasonable time the books, records, or minutes of proceedings of the Members or by the Board or committees of the Board, upon written request of the Secretary of the Corporation by the Member, for a purpose reasonably related to such person's interests as a Member;

Members shall have such other rights to inspect the books, records, and properties of the Corporation as may be required under the Articles of Incorporation, these Bylaws, or provisions of law. If a Member requires copies, the Member shall pay reasonable costs for such copies.

### **Section 4. Right To Copy and Make Extracts**

Any inspection under the provisions of this Article may be made in person or by an agent or attorney for the Member and the right to inspection shall include the right to copy and make extracts. Costs of such copies shall be borne by the person, agent, or attorney making the request.

### **Section 5. Annual Report**

Not later than ninety (90) days after the close of the Corporation's fiscal year, an annual report shall be prepared in accordance with applicable state law. The Corporation shall notify each Member yearly of the Member's right to receive a financial report.

## **ARTICLE XV: RULES OF ORDER**

The rules contained in Robert's Rules of Order Newly Revised as may be amended from time to time shall govern the Corporation in all cases in which they are applicable, and in which they are not inconsistent with these Bylaws, the Corporation's Articles of Incorporation, or the existing law.



**ARTICLE XVI: AMENDMENTS  
TO BYLAWS**

Subject to the power of the Members of this Corporation to adopt, amend, or repeal the Bylaws of this Corporation and except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of the Board of Directors and ratification by the Members.

**ARTICLE XVII:  
CONSTRUCTION AND TERMS**

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this Corporation, the provisions of the Articles of Incorporation shall govern.

Should any provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

These Bylaws, as amended, supersede all provisions or any previous bylaws of the North Coast Association of Health Underwriters.