

PROTECTING THE CONSUMER'S FUTURE

NMAAHIU

New Mexico Association
of Health Underwriters

AMERICA'S BENEFITS SPECIALISTS

**NEW MEXICO ASSOCIATION
OF HEALTH UNDERWRITERS**

BYLAWS

Amended August 27, 2015

BYLAWS
of the
New Mexico Association of Health Underwriters

Adopted October 16, 1986
Amended August 27, 2015

ARTICLE 1 -- NAME AND TERRITORIAL LIMITS

- Section 1. This organization shall be known as the New Mexico Association of Health Underwriters, hereinafter referred to as “this Association”, a non-profit corporation incorporated as such under the laws of the state of New Mexico and chartered by the National Association of Health Underwriters.
- Section 2. The territorial limits of this Association shall be confined to the boundaries of the State of New Mexico.

ARTICLE II – PURPOSES

- Section 1. The objectives of this Association shall be:
- A. To promote the common business interests of those engaged in the sale of health, disability and related insurance products and services.
 - B. To advance public knowledge for the need and benefit of the financial protection provided by health, disability and related insurance products and services.
 - C. To promote the adoption and application of high standards of ethical conduct in the health, disability and related insurance products and service industry.
 - D. To provide and promote a program of continuing education and self-improvement of Association members.
 - E. To increase the knowledge of members concerning the principles, functions and applications of health, disability and related insurance products and services.
 - F. To promote education, legislation, regulation and practices which are in the best interest of the health, disability and related insurance industry and thus provide financial protection to the insuring public.

- G. To encourage adequate protection against the hazards of disability as part of a well-rounded health, disability and related insurance products and services program.
- H. To do such other things and to carry out such other programs so as to further the purposes of the National Association of Health Underwriters.

Section 2. This 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 is considered a part of these By Laws.

ARTICLE III – MEMBERSHIP

Section 1. Classes of Membership:

- A. Individual
- B. Honorary

Section 2. Individual Members:
An individual member may be any individual licensed by his/her state licensing authority for the sale of health and disability income 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 who have paid their annual national, state and local dues will also be referred to as Active Members.

Section 3. Honorary Members:
Honorary members shall be those individuals who have performed distinguished or meritorious service of recognized value to a member local association or the Association, and who are elected to honorary membership by the Board of Directors of this association.

ARTICLE IV – NATIONAL AND STATE AFFILIATION

Section 1. This Association agrees to be bound by the Bylaws of the National Association 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 National Association 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 – DUES AND FINANCE

Section 1. Each active member of this Association shall pay local (*if applicable*), 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.

Section 2. The Board of Directors shall determine the amount of annual dues of this Association, subject to the ratification of at least three-fourths (3/4) of the local associations in the state. This Association's dues may only be changed once a year and will be in effect from January 1 through December 31 of each year. Not later than the fifteenth (15th) 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 state 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.

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

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

Section 5. The Board of Directors shall determine the official depository(ies) for Association funds and shall designate one or more Board members in addition to the Treasurer to sign or countersign checks or other documents for the disbursement of such funds.

ARTICLE VI – OFFICERS

Section 1. The officers of this Association shall be a President, President-Elect, Immediate Past-President, Secretary, and Treasurer and, if applicable, a non-voting Association Executive Administrator. The offices of Secretary and Treasurer may be combined into one office Secretary/Treasurer.

- Section 2. Each officer, except the Executive Administrator (if applicable), shall be an active member of this Association, and the local and National Association of Health Underwriters.
- Section 3. All officers, except the Executive Administrator (if applicable), 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 no more than two (2) consecutive terms in the same position, unless approved by a majority vote of the Board of Directors.
- Section 5. The office of Immediate Past-President shall be filled automatically by the outgoing President. In the event there is no outgoing President, this office shall remain vacant.
- Section 6. If the office of the President shall become vacant due to death, disability, resignation, or removal by due process, the President-Elect shall assume the office for its unexpired term and the term of President for the succeeding year. If the office of President becomes vacant and there is no President-Elect, the order of succession shall be Treasurer, and then Secretary.
- Section 7. If the office of President-Elect shall become vacant due to death, disability, resignation, or removal by due process, or by succession to the Presidency under Article VI, Section 6, the President shall, within thirty (30) days of the effective date of vacancy, appoint a member of this Association in good standing to fulfill the duties of the office for its unexpired term. The appointment shall be subject to a three-fourths (3/4) vote of approval by the Board of Directors. The office itself shall remain vacant until the next regular election.
- Section 8. If the offices of Secretary and/or Treasurer become vacant due to death, disability, resignation, recall or removal by due process, or by succession under Article VI, Section 6, the office(s) shall be filled by appointment by the President. The appointment shall be subject to three-fourths (3/4) vote of approval of the Board of Directors and shall be only for the unexpired term of the office(s). Appointees shall assume the title and duties of the office(s).

ARTICLE VII—THE DUTIES OF THE OFFICERS

- Section 1. The duties of officers shall be as follows:
- A. **President** - The President shall be the chief elected officer of this Association, and shall preside over all meetings of this Association and the Board of Directors. The President shall be an ex-officio member of all standing and special committees.
 - B. **President-Elect** - The President-Elect in the absence of the President, shall preside at all meetings this Association and the Board of Directors and shall perform such other duties as may be assigned by the President or Board of Directors.
 - C. **Immediate Past-President** - The Immediate Past-President shall serve as an advisor to the Board of Directors, and perform other duties assigned by the President or Board of Directors.
 - D. **Secretary** - The Secretary shall be responsible for keeping all minutes of the meetings of the Association and Board of Directors and shall perform other duties as may be assigned by the President or Board of Directors.
 - E. **Treasurer** - The Treasurer shall be responsible for receiving all funds and dues paid to this Association. Dues shall be forwarded to the National Association of Health Underwriters, where they will be deposited and the local portion remitted back to the Association on a monthly basis. The Treasurer shall deposit all other funds in the Association's official depositories, and shall disburse such funds on the order of the President and Board of Directors. The accounts and books of the Treasurer shall at all times be open to inspection by the President, the Board of Directors, and any authorized auditors. The Treasurer shall be responsible for the completion and submission of forms required by laws governing the administration and/or tax status of this Association.
 - F. **Executive Administrator** –The Executive Administrator is appointed by the Board of Directors, for such period, such compensation, and with such authority, duties, facilities and assistance as the Board of Directors may determine. The Executive Administrator shall have no vote.

ARTICLE VIII – BOARD OF DIRECTORS

- Section 1. The Board of Directors shall consist of the Officers, one (1) elected director of each local association within the state, and the Executive Administrator (if applicable), ex officio.
- Section 2. Each director shall be an Active member of this Association, and the local and National Association of Health Underwriters.

- Section 3. All directors shall serve without compensation.
- Section 4. All directors shall take office on the first day of July of each year following their election, and shall serve for a term of one (1) year, or until their successors shall be duly elected and qualified.
- Section 5. The Board of Directors shall determine the policies and activities of this Association, approve the budget, approve all expenditures and authorize all disbursements, and have the authority and responsibility to manage the Associations' affairs.
- Section 6. The Board of Directors shall meet no less than four (4) times per year or at the call of the President. Written notice of the time and place of all regular meeting of the Board of Directors of this Association shall be distributed to each board member by the President not less than thirty (30) days prior to the meeting.
- Section 7. The Board of Directors may transact business by mail or electronic means by voting upon proposals presented to them. Any such proposals shall be adopted if at least two-thirds (2/3) majority of the entire Board returns affirmative votes. The members of the Board of Directors shall be advised of the results of such balloting no less than seven (7) days after the vote is tabulated.
- Section 8. A majority of the Board of Directors shall constitute a quorum for the transaction of business.
- Section 9. In the event a director position becomes vacant due to death, disability, resignation or removal by due process, or by succession under Article VI, Section 6, the position shall be filled by appointment by the President. The appointment shall be subject to three-fourths (3/4) vote of approval of the Board of directors and shall be only for the unexpired term of the office(s).

ARTICLE IX – NOMINATIONS AND ELECTIONS

- Section 1. The election of officers: President-Elect, Secretary and Treasurer shall be held once a year, no later than May of each year. The election of officers shall be held by mail or in some manner as determined by the Board of Directors.
- Section 2. The Nominations & Elections Committee shall be responsible to the Board of Directors for administering the selection of candidates and manner of election, so long as all active members of the Association are given the opportunity to nominate and vote for all candidates.

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

ARTICLE X – COMMITTEES

Section 1. There shall be the following standing committees:

- A. Awards
- B. Professional Development
- C. Legislation
- D. Membership
- E. Nominations & Elections

Section 2. The President shall appoint the chairs and members of all standing, special or ad hoc committees and task forces, subject to the approval of the Board of Directors.

Section 3. The Board of Directors shall establish guidelines for all committees and task forces regarding usual duties, terms of office, and requirements for reports unless otherwise specified in these Bylaws.

Section 4. The administration of the fiscal affairs of all standing, special and ad hoc committees and task forces are vested in the Board of Directors.

ARTICLE XI – RECALL AND REMOVAL FROM OFFICE

Section 1. An officer, member of the Board of Directors, committee member or chair may be removed from office in the event of such acts of dishonesty, fraud, misrepresentation, or other reasonable cause as would prevent the effect performance of his/her duties.

Section 2. No elected officer or board member, or appointed committee member or chair, may be removed from office without a three-fourths (3/4) vote of the Board of Directors at any regular or special meeting.

Section 3. Notice of recall or removal must be sent by registered mail to the affected individual thirty (30) days in advance advising him/her of the action taken or about to be taken. Removal by due process requires notification prior to the vote for removal from office. The Board of Directors and/or twenty-five percent (25%) of this Association's membership can initiate recall. Recall can only be achieved by a three-fourths (3/4) vote of the Board of Directors.

- Section 4. Failure to achieve the required vote for removal will cause the immediate reinstatement of the recalled individual. Any appointees replacing the recalled officer shall also be immediately discharged.
- Section 5. Any 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 XII – RULES OF ORDER

- Section 1. ROBERTS RULES OF ORDER (Revised) shall be the parliamentary authority for all matters of procedure not specifically covered in these Bylaws.

ARTICLE XIII – AMENDMENTS

- Section 1. Amendments to these Bylaws, if in conformity with the policy of the National Association of Health Underwriters, may be adopted by a two-thirds (2/3) vote of the active members of this Association present at any meeting of this Association, or by notice of email and return vote, provided that written notice of the meeting and of the proposed amendment(s) shall have been given to the members at least one month prior to the meeting, and provided further that a quorum is present at the meeting or by return email vote.
- Section 2. One-tenth (1/10) of this Association's membership shall constitute a quorum.

ARTICLE XIV – INDEMNIFICATION

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

ARTICLE XV – DISSOLUTION

- Section 1. Dissolution of this Association requires the passing of a Resolution of Resignation by a three-fourths (3/4) vote of all active members. The adopted resolution shall be sent by the Secretary of this Association by registered mail to the Executive Vice President of the National Association of Health Underwriters and shall become effective upon acceptance by the Board of Trustees. Upon acceptance of the Resolution of Resignation by the Board of Trustees, individual members of this Association shall become active members of the existing local association nearest them in their state, or members-at-large if no other association exists within their state.
- Section 2. This Association, by taking the action to resign, shall surrender all rights to use the name, emblem, insignia, plate, sign, label or phrase indicative of membership in this Association.
- Section 3. This Association's charter with the National Association of Health Underwriters may be suspended or revoked in accordance with appropriate sections of the Bylaws of the National Association of Health Underwriters.
- Section 4. This Association shall use funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall inure or be distributed to its members in the event this Association is dissolved or its charter revoked for cause in violation of the Bylaws of the National Association of Health Underwriters. Immediately upon dissolution or revocation of its charter, this Association's Board of Directors shall return all remaining Association funds to the National Association of Health Underwriters for placement in escrow. Funds placed in escrow will be distributed in accordance with the procedures outlined in the Bylaws of the National Association of Health Underwriters.

ARTICLE XVI – PREVIOUS BYLAWS SUPERCEDED

- Section 1. These Bylaws, as revised, supersede all provisions of any previous Bylaws of this Association.

APPENDIX A - NAHU CODE OF ETHICS

To hold the selling, service and distribution of disability insurance and health insurance plans as a professional and a public trust and to do all in my power to maintain its prestige.

To keep paramount the needs of those whom I serve.

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

To give all service possible when service is needed.

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

To use no advertising which may be false or misleading.

To consider the sale of disability income and health insurance plans as a career, to know and abide by the insurance laws of my state, and to seek to constantly increase my knowledge and improve my ability to meet the needs of my clients.

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

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

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