

**NEW MEXICO ASSOCIATION OF HEALTH UNDERWRITERS**

**BYLAWS**

**Amended March 6, 2009**

## **NEW MEXICO ASSOCIATION OF HEALTH UNDERWRITERS BYLAWS**

### **Article I – 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 – Objectives**

- Section 1. The objectives of this Association shall be:
- A. To promote the common business interest of those engaged in health and disability risk management.
  - B. To advance public knowledge for the need and benefit of disability income and/or 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 Association members.
  - E. To coordinate the efforts of the various local Health Underwriters Associations within the state.
  - F. To create, organize, and encourage charter local associations for membership in NAHU.
  - G. To increase the knowledge of members concerning the principles, functions and applications of health insurance and disability income products.
  - H. To promote education, legislation, regulation and practices which are in the best interest of the health insurance industry and the insuring public.
  - I. To encourage adequate protection against the hazards of disability as a part of a well-rounded insurance program.
  - J. To do such other things and to carry out such other programs so as to further the purposes of the Association.
  - K. To present accurately, honestly and completely every fact essential to the client’s decision as expressed in the Code of Ethics of the National Association of Health Underwriters, which are considered a part of these Bylaws.
  - L. To be active as an association in community service and community affairs and to encourage its members to support and contribute to same.

### **Article III - Membership**

- Section 1. Classes of Membership:
- A. Individual
  - B. Honorary
  - C. Life
- 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.
- 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.
- Section 4. Life Members:  
Life membership shall be granted when an active member has been in good standing for a minimum of ten (10) consecutive years and 1) has attained age 65 and retired, or 2) become unable to work due to disability. This Association’s dues will be reduced by 50% for such life member. For any member in good standing who becomes totally and permanently disabled all further dues will be waived. Life member status shall automatically be conferred when all qualifications are met and application is made and verified.
- Section 5. Individual, Honorary or Life Members will also be referred to as active members.

## 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 – 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 shall be an active member of this Association, and the local *(if applicable)* and National Association of Health Underwriters.
- Section 3. All officers, except the Executive Administrator, 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, or until their successors shall be duly elected and qualified.
- 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 VI - 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. **Association Executive** - Association Executive Administrator 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. This executive shall have no vote.

#### **Article VII - Board of Directors**

- Section 1. The Board of Directors shall consist of the Officers and one (1) elected director of each local association within the state.
- 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 VIII - 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 IX - Committees**

- Section 1. There shall be the following standing committees:
- A. Legislative
  - B. Education/Programs
  - C. Membership Recruitment/Retention
  - D. Communications/Media
  - E. Awards
  - F. Nominations and Elections
  - G. Such other committees as may be determined by the Board of Directors
- Section 2. The President shall appoint the chairpersons and the members of all special, standing or ad hoc committees. All appointments shall be subject to approval by the Board of Directors.
- Section 3. The Board of Directors shall establish guidelines for all committees 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 are vested in the Board of Directors.

## **Article X - 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 XI - Revenue**

- Section 1. Each member of this Association shall pay local, state and national annual dues to become or remain a member. Such annual dues shall be payable in accordance with the National Bylaws. All dues shall be submitted to and through the office of the National Association of Health Underwriters.

## **Article XII - Finance**

- Section 1. The fiscal year of this Association shall begin on the first day of July of each year.
- Section 2. All state and local dues can only be changed once a year and will be in effect from January 1 through December 31 of each year. If the Association is going to increase or decrease its dues for the next year, the President will advise the National Association of Health Underwriters, in writing, of the Board approved dues for the next year no later than the fifteenth of September of that year.
- Section 3. The Association's books of account shall be reviewed and/or audited at least once a year. The Auditors shall be named by the Board of Directors.
- Section 4. The Board of Directors shall determine the official depository or depositories for Association funds and shall designate one or more persons in addition to the Treasurer to sign or countersign checks or other documents for the disbursement of such funds.

## **Article XIII - 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 XIV - Approval of Bylaws and Amendments**

- Section 1. Any 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 members in good standing present at any meeting of this Association: Provided that written notice of the meeting and of the proposed amendment shall have been given to the members in good standing at least one month prior to the meeting. And provided further that a quorum is present at the meeting.
- Section 2. Notwithstanding the provisions of Section 1, these bylaws and any amendments thereto shall be effective only when submitted to and approved by the National Association of Health Underwriters. True copies of these bylaws and all such amendments shall be provided by the Secretary of this Association to the National Association of Health Underwriters.
- Section 3. One-tenth (1/10) of this Association's membership shall constitute a quorum.

**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 the 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. The Association, by taking 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 Nation 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 – Indemnification**

- Section 1. 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 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 XVII - Previous Bylaws Superseded**

- Section 1. These bylaws, as revised, supersede all provisions of any previous bylaws of the New Mexico State Association of Health Underwriters.

APPROVED AND ADOPTED BY The New Mexico State Association of Health Underwriters this (day) of (month), (year).

ADDENDUM: NAHU’S Code of Ethics.

\_\_\_\_\_  
President

\_\_\_\_\_  
President Elect

\_\_\_\_\_  
Past President

## **APPEDIX A - 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.