

**Nebraska State Association of Health Underwriters
Bylaws**

**Adopted 1992
And
Amended May 1999, May, 2003 and February, 2004**

ARTICLE I – Name and Territorial Limits

- Section 1. The name of this professional Association shall be the Nebraska State Association of Health Underwriters, a non-profit corporation, Incorporated as such under the laws of the State of Nebraska. The Association may also do business as Nebraska Association of Health Underwriters – America’s Benefits Specialists. Herein after referred to As the Association or “NAHU”.
- Section 2. The territorial limits of this Association shall be confined to the boundaries of the State of Nebraska and close proximity. These limits shall not be changed unless permission has been obtained from the governing bodies of the state association currently having jurisdiction in such territory, if applicable, of the Board of Trustees of the National Association of Health Underwriters.

ARTICLE II – Objectives

- Section 1. The objectives of NAHU shall be:
- A. To promote the common business interest of those engaged in health, disability and 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 NAHU members.
 - E. To coordinate the efforts of the various local health underwriter associations within this state.
 - F. To create, organize, encourage and 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 as to further the purposes of the association.

Section 2. The association and its members recognize an obligation to present accurately, honestly and completely every fact essential to the client's decision as expressed in the Code of Ethics of the National Association of Health Underwriters, which are considered a part of these Bylaws.

ARTICLE III – Classes of Membership

Section 1. Classes of memberships shall be:

- A. Individual
- B. Local Association
- C. Associate Company
- D. Honorary
- E. Life

Section 2. Individual members will also be referred to as active members. An individual member may be any individual licensed by his/her state licensing authority for the sale of disability income and health insurance products. Individual members may also include non-licensed individuals engaged in the distribution of disability income and health insurance products such as, but not limited to, home office personnel and others engaged in the management and distribution of such policies.

Section 3. Each local association shall operate as a free standing association. It shall have representation on the Board of Directors of this association. The local association should recognize and support the positions and activities of various local associations within its state's boundaries and interact with the state association for the common good of all associations within the state's boundaries.

Section 4. Associate company membership shall be available to those companies issuing, administering, or marketing disability and/or health insurance contracts, plans or services, who wish to assist the NAHU financially. Dues for this category shall be determined by the Board of Trustees. Each Associate Company member shall designate one person as the company's primary representative in NAHU. They will not be members for census or voting purposes unless qualified as an active member in good standing.

Section 5. Honorary members shall be those individuals who have performed distinguished or meritorious service of recognized value to NAHU, and who are elected to honorary membership by the Board of Directors of this association.

Section 6. Life membership shall be granted when an active member has been in good standing for a minimum of fifteen (15) consecutive years and 1) has attained age 65, or 2) retired, or 3) become disabled. NAHU dues will be reduced to 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 by NAHU.

ARTICLE IV – Discipline

- Section 1. An individual member more than ninety (90) days in arrears in payment of dues shall be dropped from the rolls as a member in good standing.

ARTICLE V – Officers

- Section 1. The officers of NAHU shall be:
- A. President
 - B. President-Elect
 - C. Vice President
 - D. Chief Financial Officer
 - E. Secretary
 - F. Immediate Past President
 - G. Two (2) Past Presidents
 - H. If applicable, a non-voting Association Executive Staff Person
- Section 2. Each officer shall be an active member in good standing.
- Section 3. All officers shall serve without compensation.
- A. The President-Elect, Vice President, and Secretary shall be elected at the annual meeting of the association.
 - B. The two (2) past presidents will be appointed by the president, and approved by the board. Both officers will have full voting rights.
 - C. The aforementioned officers shall be elected for a term of one (1) year, or until their successors shall be duly elected and qualified. All officers shall take office on the first day of June each year following their election.
 - D. The Chief Financial Officer shall be appointed by the president, and approved by the board annually. The CFO will be a non-voting member.
 - E. The office of Immediate Past President shall be filled automatically by the outgoing President. In the event there is no outgoing President this office shall remain vacant and the President shall appoint a member in good standing to fulfill the duties of the office for a period not to exceed twelve (12) months or until the office can be filled in accordance with the first sentence of this section. The appointment by the President of a member to fulfill the duties of this office shall be subject to three-fourths (3/4) vote of approval by the Board of Directors.
 - F. If the office of President becomes vacant due to death, disability,

disability, resignation, recall, 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 and the office of President-Elect shall become vacant until the next regular election. If the office of President becomes vacant and there is no President-Elect, the order of succession shall be Vice President and then Secretary.

- F. If the office of President-Elect shall become vacant due to death, Disability, resignation, recall, or removal by due process, or by succession to the Presidency under Section 3F, listed above, the President shall appoint a member in good standing to fulfill the duties of the office for its unexpired term. The appointment shall be subject to a three-fourths (3/4) vote of approval by the Board of Directors. The office itself shall remain vacant until the next regular election.
- G. If either or all offices of Vice President, or Secretary become vacant by death, disability, resignation, recall or removal by due process or by succession under Section 3F, listed above, they 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 particular office. Appointees shall assume the title and duties of the office.
- H. The power to appoint or nominate replacements for any vacancy, except as described in Section 3E above, shall be restricted to unexpired terms.

ARTICLE VI – Duties of Officers

- Section 1.
 - A. The President shall be the Chief Elected Officer of this association and shall preside over all meetings of the association. The President shall appoint all committees whose membership is not otherwise established by these Bylaws and shall be an ex-officio member of all committees formed under this Association except the Nominations Committee. Together with the President-Elect, the President shall represent this Association at various industry meetings and shall perform such other duties as usually pertain to the office, including the assignment of specific duties to other Officers and Board Members.
 - D. The President shall also be empowered to fill all vacancies in the manner prescribed by these Bylaws. Upon completion of his/her term, the President shall assume the office of Immediate Past President.
- Section 2.
 - A. The President-Elect shall perform such duties as may be assigned by the President or the Board of Directors.
 - B. The President-Elect shall immediately assume the office of President

when that office becomes vacant by reason of death, disability, resignation, recall or removal by due process. The President-Elect shall assume the office of President on June 1 in the year subsequent to his/her election to the office of President-Elect.

- Section 3. A. The Vice President, in the absence of the President and the President Elect, shall preside at scheduled Board meetings of this Association and the Board of Directors. The Vice President shall also perform other duties as may be assigned by the President of the Board of Directors.
- Section 4. A. The Chief Financial Officer shall be responsible for receiving all funds and dues paid to this association, shall deposit such funds and dues in the association's official depositories, and shall disburse such funds on the order of the Board of Directors.
- B. The Chief Financial Officer shall make available at all times the accounts and books for inspection by the President, the Board of Directors, and any authorized auditors.
- C. The Chief Financial Officer shall submit a financial report at the Annual Membership meeting.
- D. The Chief Financial Officer shall oversee the completion and submission of forms required by laws governing the administration and/or tax status of the association.
- Section 5. A. The Secretary shall be responsible for taking the minutes of the meetings of the association and the Board of Directors. The Secretary shall maintain the Association's Policy and Procedures. Approved, amended or rescinded P&P's shall be signed by the Secretary and stored as permanent records of the Association. The Secretary may appoint assistants as is deemed necessary to execute these duties. The Secretary shall be responsible for other duties as they are assigned by the President or Board of Directors.
- Section 6. A. The Immediate Past President shall serve as an advisor to the Board of Directors, and perform other duties assigned by the President or the Board of Directors.
- B. The Immediate Past President shall also serve as the Chairman of the Nominations and Election Committee.
- Section 7. A. There may be an association executive 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. He/she shall have no vote. The association executive shall be the administrative head of the local headquarters staff and office, where all permanent records shall be kept.
- Section 8. A. The Board of Directors may assign specific officers to be ex-officio

members of various Standing Committees or Task Forces.

ARTICLE VII – Board of Directors

- Section 1. The Board of Directors shall consist of:
- A. President
 - B. President-Elect
 - C. Vice President
 - D. Chief Financial Officer
 - E. Secretary
 - F. Immediate Past-President
 - G. Two (2) Past-Presidents
 - H. Two (2) representatives elected from and by each local association
 - I. Association Executive Ex Officio, if applicable.
- Section 2. Each director shall be an active member in good standing.
- Section 3. All directors shall take office on the first day of June 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 4.
- A. The Board of Directors shall establish and define policies, set and approve the budget, approve all expenditures and authorize all disbursements, and have full administrative authority in all matters of the association.
 - B. Policy and Procedures of the association are adopted, amended or rescinded by a majority vote of the Board of Directors. Furthermore, Policy and Procedures are to be reviewed on an annual basis by the Board of Directors. The Board of Directors may enact a temporary Policy and Procedure if that Policy and Procedure is vital to be business operations of NAHU. In the event a temporary Policy and Procedure is approved, it shall be in effect for a period of no more than ninety (90) days.
- Section 5.
- A. The Board of Directors shall meet at least four (4) times each year. It shall also meet at such times and places as may be determined by the President or the Board of Directors or by written request of seven (7) members of the Board of Directors.
 - B. A notice of the time and place of all regular meetings of the Board of Directors shall be mailed, faxed or electronically conveyed to each member of the Board by the President not less than thirty (30) days prior to the meeting.
 - C. All meetings of the Board of Directors will be open to any member in good standing.
- Section 6. The Board of Directors may transact business by mail or electronic means by voting upon proposals presented to them. Any such proposal will be adopted if at least two-thirds (2/3) majority of the

entire Board returns affirmative votes. The Board members shall be advised of the results of such balloting no less than seven (7) days after the vote is tabulated.

- Section 7. A majority of the Board of Directors shall constitute a quorum for the transaction of business.
- Section 8. The Board of Directors shall also execute other specific duties assigned to it throughout these Bylaws.
- Section 9. The interpretation of these Bylaws resides with the Board of Directors. Disputes between members regarding the Bylaws shall be submitted to the Board of Directors, in writing, and the Board's interpretation shall be in writing and entered into the permanent minutes of the Board of Directors.

ARTICLE VIII – Nominations and Elections

- Section 1. The election of officers shall be held at the annual meeting of this association.
- Section 2. The election of directors shall be held by the local associations prior to the Nebraska Association of Health Underwriters' annual meeting.
- Section 3. At least nine (9) months prior to the date of the annual meeting, the past president shall appoint a committee on nominations and elections. The duties of this committee shall be to solicit, receive, and prepare nominations and have general charge of the election, including the preparation, distribution, collection and counting of ballots.
- Section 4. The committee on nominations and elections shall cause a ballot to be prepared containing the names of all nominees for the use of the members during the election. Nominees selected by the committee shall be distributed to all active members of this association at least one month prior to the annual meeting.
- Section 5. Nominations from the floor for officers will be accepted at the annual meeting.

ARTICLE IX – Committees

- Section 1. The Standing Committees shall be:
 - A. Awards
 - B. Education
 - C. Legislation
 - D. Membership
 - E. Nominations and Elections
 - F. Such other committees as may be determined by the Board of Directors.

Section 2. The President shall appoint the chairpersons and members of all special standing or ad hoc committees. All appointments shall be subject to approval by the Board of Directors. 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 3. Special committees may be appointed by the President, with the approval of the Board of Directors, and shall perform such duties as may be defined in their creation.

ARTICLE X – Meeting of Delegates

Section 1. Annual Meeting of delegates, otherwise known as the Annual State Convention, shall be held prior to June 1 of each calendar year at any place within or outside the state designated by the Board of Directors for the purpose of electing officers pursuant to the provisions of these bylaws and for the transaction of such other business as may come before the meeting. Members of this association shall vote on matters presented.

Section 2. Special meeting(s) of the members for any lawful purpose may be called at any time as provided by law.

A special meeting may be called by an active member (other than the Board of Directors) by written request, specifying the general nature of the business proposed to be transacted, and submitted to the President or any officer. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, stating that the meeting will be held at a specified time and date fixed by the Board of Directors, provided, however, that the meeting date shall be at least thirty-five (35) but not more than ninety (90) days after the receipt of the request. Nothing in this Section shall be construed as limiting, fixing or affecting the time at which a meeting of members may be held when the meeting is called by the Board of Directors.

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

Section 3. Notice of meeting of members shall be in writing and shall be given at least ten (10) but no more than ninety (90) days before the meeting date. The notice shall be given either personally or by first class mail, registered or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member appearing on the books of the association for purposes of notice. The notice shall specify the place, date and hour of the meeting, and (1) for special meetings, the general nature of the business to be transacted, and no other business may 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 officers are

to be elected shall include the name of all those who are nominees at the time notice is given.

Approval by members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice of written waiver of the notice, pursuant to Article IX, Section 8 of these bylaws states the general nature of the proposal or proposals:

- a. Removing a director;
- b. filling vacancies on the board;
- c. amending the Articles of Incorporation
- d. approving a contract or transaction between corporation and one or more directors, or between the corporation and any entity in which a director has a material financial interest;
- e. electing to wind up and dissolve the corporation;
- f. approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the articles of bylaws, then the organization is in the process of winding up.

Section 4. A majority of the members at any meeting shall constitute a quorum provided that members from at least fifty percent (50%) of all local associations of health underwriters within the territorial jurisdiction of the corporation shall be present. 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 Articles of Incorporation, or the 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. 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. Past Presidents of this association shall be entitled to vote at annual meetings in perpetuity.

Section 6. Every member entitled to vote shall do so only in person, and shall not be permitted to vote by proxy.

Section 7. Voting may be done by voice or secret written ballot.

Section 8. 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 consent or consents shall be filed with minutes of the proceedings of members.

ARTICLE XI – National Affiliation

Section 1. The Association agrees to be bound by the Bylaws of the State and National Associations of Health Underwriters as adopted and/or 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, the 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 XII – Recall and Removal from Office

- Section 1. An officer or director may be removed for malfeasance of office.
- Section 2. A. No officer or director may be removed from office without three-fourths (3/4) vote of the attending membership. The membership may meet for purposes of removing an officer or director or if the Board of Directors receives written requests for the officer's or director's removal from a minimum of twenty-five (25) percent of the members.
- B. Notice of recall or removal must be sent by registered mail to the affected individual 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.
- Section 3. Recall from office of an officer or director of the Association shall cause the office to be vacant until removal from the office is achieved as described in Section 2 of this Article and a successor is appointed. Recall can be initiated by the Board of Directors and or twenty-five (25) percent of the members. Recall can be achieved only 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 officer or director. Any appointee replacing the recalled officer or director shall also be immediately discharged.
- Section 5. Any individual member of the association shall lose all rights and privileges of office under the association and National association if their license to sell insurance is revoked or if they are convicted of a felony or gross misdemeanor.

ARTICLE XIII – Financial

- Section 1. The fiscal year of NAHU shall be 1 January through 31 December.
- Section 2. The association's books of account shall be reviewed and/or audited at least once each year. The auditors shall be named by the Board of Directors.
- Section 3. The Board of Directors shall adopt a budget for the fiscal year not later than December 31. A summary of the adopted budget will be made available to any member upon their request.

- Section 4. Any 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. The Chief Financial Officer shall pay all expenditures authorized by the budget. Anything above the budget must be Board approved.
- Section 6. Disbursements shall not exceed the greater of revenue raised or the expenses budgeted, except by three-fourths (3/4) vote of the members of the Board of Directors.
- Section 7. 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 Chief Financial Officer to sign or countersign checks or other documents for the disbursement of such funds.
- Section 8. All state dues can 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 of September of each year, if the association is going to increase or decrease its local dues for the next year, the President will advise National in writing, of the Board approved dues for the next year.
- Section 9. Each active member of this Association shall pay state and national annual dues. Such annual dues shall be payable on the first day of their anniversary month as recorded at National. All dues shall be submitted to and through the office of the National Association of Health Underwriters.

ARTICLE XIV – Parliamentary Authority

- Section 1. ROBERTS RULES OF ORDER (Revised) or THE STANDARD CODE OF PARLIAMENTARY PROCEDURE (Sturgis) shall be the parliamentary authority for all matters of procedure not specifically covered in these Bylaws.

ARTICLE XV – 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 active members present at any meeting and if the proposed amendment shall have been given to the members at least one month prior to 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.

ARTICLE XVI – Association Suspension, Revocation or Dissolution

- Section 1. Dissolution of NAHU requires a three-fourths (3/4) vote of all active members.
- Section 2. NAHU’s charter with the National Association of Health Underwriters may be suspended or revoked in accordance with appropriate sections of National’s Bylaws.
- Section 3. In the event NAHU is dissolved or its charter revoked, the governing Board of Directors will immediately return all remaining association funds to the Secretary/Treasurer of 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 National Association of Health Underwriters’ Bylaws.

ARTICLE XVII – Previous Bylaws Suspended

These Bylaws, as revised, supersede all provisions of any previous Nebraska Association of Health Underwriters Bylaws.

-End-