



# METRO DETROIT ASSOCIATION OF HEALTH UNDERWRITERS CHAPTER BYLAWS

Updated: May 22, 2014

**BYLAWS  
of the  
Metro Detroit Association of Health Underwriters**

**Adopted: August 2005  
Amended: 2014**

**ARTICLE I – NAME AND TERRITORIAL LIMITS**

- Section 1. This organization shall be known as the Metro Detroit Association of Health Underwriters, hereinafter referred to as this Association, a non-profit corporation incorporated as such under the laws of the state of Michigan and chartered by the National Association of Health Underwriters (NAHU).
- Section 2. The territorial limits of this Association shall be confined to Southeastern Michigan. This shall not be changed unless permission first has been obtained from the governing bodies of the local association currently having jurisdiction in such territory, if applicable, and of the Michigan State Association of Health Underwriters and the Board of Trustees of the National Association of Health Underwriters.

**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 bylaws.

### **ARTICLE III – MEMBERSHIP**

- Section 1. Membership in this Association will be available under the following designations:
- A. Individual Members
  - B. *Life Members*
  - C.
- Section 2. An individual member may be any individual licensed by his/her state licensing authority for the sale of health, disability and related insurance products and services. Individual members may also include non-licensed individuals engaged in the distribution of health, disability and related insurance products and services 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. Life membership may be granted when an active member has been in good standing for a minimum of ten (10) consecutive years, and has: (1) attained age 65 and retired; or (2) is disabled. Life members have the same rights and privileges as individual members. This association shall determine the amount of reduction of local chapter dues, if any. Life member status shall be automatically conferred when all qualifications are met and application is made and verified by the National Association of Health Underwriters.*

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

- Section 1. This Association agrees to be bound by the bylaws of the State and 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 State and 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 State and National Association of Health Underwriters.

### **ARTICLE V – DUES AND FINANCE**

- Section 1. Each active member of this Association shall pay local, state (*if applicable*) 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. 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 (15<sup>th</sup>) of September of each year, or a date specified by the National Association of Health Underwriters, if this Association plans to increase or decrease its local chapter dues for the following calendar year, the President shall advise the National Association of Health Underwriters in writing of the Board-approved dues for the following year.
- Section 3. The fiscal year of this Association shall begin on the first day of January 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: President, President-Elect, Immediate Past President, Vice President, Secretary, and Treasurer.

Section 2. Each officer shall be an active member -in-good-standing, of this Association, and the State and National Association of Health Underwriters

Section 3. All officers shall serve without compensation.

Section 4. All officers shall take office on the first day of July of each year following their election, and shall serve for a term of one year

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 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 then 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 Vice President, 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 – DUTIES OF OFFICERS**

Section 1. The duties of the 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 except the Nominations Committee.
- B. President-Elect – The President-Elect, in the absence of the President, shall preside at all meetings of this Association and the Board of Directors and shall perform such other duties as may be assigned by the President or Board of Directors. The President-Elect shall assume the Office of President immediately following the

adjournment of the annual meeting of the House of Delegates in the year subsequent to his/her election to the office of President-Elect or, in the event of a vacancy as outlined in ARTICLE VI, Section 7.

- C. Immediate Past President – The Immediate Past President shall serve as an advisor to the Board of Directors and perform other duties as assigned by the President or Board of Directors, including serving as the Nominations Committee Chairperson.
- D. Vice President – The Vice President, in the absence of the President and the President-Elect, shall preside at all meetings of this Association and the Board of Directors and shall perform such other duties as may be assigned by the President or Board of Directors.
- E. Secretary – The Secretary shall be responsible for keeping all records of membership, attendance, membership dues and minutes of the meetings of this Association and the Board of Directors and shall perform other duties as may be assigned by the President or Board of Directors.
- F. 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 this Association on a monthly basis. The Treasurer shall deposit all other funds in this Association’s official depository(ies) and shall disburse such funds upon the order of the Board of Directors. The accounts and books of the Treasurer and this Association shall be open at all times for 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.

### **ARTICLE VIII – BOARD OF DIRECTORS**

- Section 1. The Board of Directors shall consist of the elected officers and appointed committee chairpersons.
- Section 2. Each director shall be an active member of this Association, and the State and National Association of Health Underwriters.
- Section 3. All directors shall serve without compensation.
- Section 4. All committee chairpersons shall take office on the first day of July of each year following their appointment, and shall serve for a term of one year. (See Article VI, Section 4.)
- Section 5. The Board of Directors shall determine the policies and activities of this Association, approve the budget, authorize all expenditures and disbursements, and has the authority and responsibility to manage this Association’s affairs.
- Section 6. The Board of Directors shall meet no less than four (4) times per year or at the call of the President. The meetings shall be held at such times and places as may be determined by the President or Board of Directors. A written notice of the time and place of all regular meetings of the Board of Directors of this Association shall be distributed to each member of the Board by the President, in a timely fashion.

- Section 7. The Board of Directors may transact business by mail or electronic means by voting upon proposals presented to them. Any such proposal 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. One-half of the Board of Directors, excluding the President, shall constitute a quorum for the transaction of business.
- Section 9. In the event a committee chairperson position becomes vacant due to death, disability, resignation, recall or removal by due process, or by succession under Article VI., Section 6, the position shall be filled by appointment by the President.
- Section 10. The Board of Directors shall designate as many members of this Association as the NAHU formula allows, as delegates to represent this Association at the meeting of the House of Delegates at the NAHU Annual Meeting. Two alternative delegates may also be named. Notice of named delegates shall be sent by the Secretary to the NAHU office within the prescribed time limited as established by NAHU.
- Section 11. Regular and special meetings of the general membership shall be held at such time and place as determined by the President or Board of Directors.

#### **ARTICLE IX – NOMINATIONS AND ELECTIONS**

- Section 1. The election of officers and directors shall be held prior to the beginning of the new term on July 1.
- Section 2. At least three (3) months prior to the new term beginning July 1, the Immediate Past President shall solicit and receive nominations to prepare a slate of candidates. The Immediate Past President shall have general charge of the election process including the preparation, distribution, collection and counting of ballots, and reporting the results.
- Section 3. The Immediate Past President shall prepare a ballot containing the names of all qualified nominees and distribute ballot materials to all active members at least one (1) month prior to the new term beginning July 1. The ballots shall be cast via mail, US mail or facsimile.

#### **ARTICLE X – COMMITTEES**

- Section 1. There shall be the following standing committees:
- |                         |                   |
|-------------------------|-------------------|
| A. Awards               | F. Public Service |
| B. Programs             | G. Expo           |
| C. Legislation          | H. Golf Outing    |
| D. Membership           |                   |
| E. Retention            |                   |
| F. Communications/Media |                   |
- Section 2. The Board of Directors shall also include two (2) Trustees, who are also appointed by the President.
- Section 3. 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 4. 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 5. 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 – REMOVAL FROM OFFICE**

- Section 1. An officer, member of the Board of Directors, committee member or chair, or task force 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 effective performance of his/her duties.
- Section 2. No elected officer or board member, or appointed committee member or chair, or appointed task force 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 at which a quorum is present.
- Section 3. The process for removal shall be; Notice of 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. The Board of Directors and/or twenty-five percent (25%) of this Association’s membership can initiate removal. Removal 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 to office. Any appointee replacing the recalled officer shall also immediately be discharged.
- Section 5. Any individual member of this Association shall lose all rights and privileges of office under this Association if his/her license to sell insurance is revoked or if he/she is convicted of a felony or gross misdemeanor.

### **ARTICLE XII – PARLIAMENTARY AUTHORITY**

- Section 1. The current edition of “The Standard Code of Parliamentary Procedure” (Sturgis) governs this Association in all parliamentary situations that are not provided for in the law or in its charter, bylaws or adopted rules.

### **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, 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. *(If the chapter prefers to amend bylaws via mail vote, change the language to specify the rules of the mail vote.)*

Section 2. One-tenth (1/10) of this Association's membership shall constitute a quorum.

### **ARTICLE XIII – 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 XIV – 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 their state association, 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 its state association. If there is no state association, the funds shall be sent 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 XV – PREVIOUS BYLAWS SUPERCEDED**

Section 1. These bylaws, as revised, supercede all provisions of any previous bylaws of this Association.

**##END##**

## **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.