



National Association of Insurance
and Financial Advisors

Model Bylaws for NAIFA Local Chapters

(6/8/18 revision, effective January 1, 2019)

Article I – Name, Territory, and Principal Office

Section 1: The name of this Association shall be the “NAIFA-Greater Bay Area” (referred to herein as the “Association”).

Section 2: The territory of the Association shall correspond to geographical boundaries of Napa, Sonoma, Marin, Solano, Contra Costa, Alameda counties.

Section 3: The principal office(s) of the Association shall be located as determined by its Board of Directors.

Article II – Mission and Restrictions

Section 1: The mission of the Association is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of our members.

Section 2: All policies and activities of the Association shall be consistent with applicable federal, state, and local antitrust, trade regulation, or other legal requirements; and applicable tax exemption requirements, including the requirements that the Association not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Article III – Powers of the Association

Section 1: The powers of the Association shall be those provided in these Bylaws.

Section 2: The powers of the Association shall be:

- (a) To elect individuals to membership, and to suspend or revoke such memberships.
- (b) To create and have affiliated units. Such units, having a mission or objectives consistent with those of this Association, shall fulfill the needs of certain specialized groups in the membership.
- (c) To manage, supervise, direct and control the business, property, and funds of the Association.
- (d) To take all actions necessary to carry out the mission of the Association.

Article IV – Role as a NAIFA Local Chapter

Section 1: This Association shall serve as an appointed local chapter of the National Association of Insurance and Financial Advisors ("NAIFA") and of NAIFA-*California* and shall be an association of elected individual members.

Section 2: All members of this Association must be members of NAIFA and of NAIFA-*California*.

Section 3: As an appointed NAIFA local chapter, this Association agrees to adhere to a NAIFA chapter agreement, as prescribed by the NAIFA Board of Trustees, and shall have such responsibilities and privileges as provided in such chapter agreement. If the Association fails to conform to provisions of its chapter agreement it may have its appointment as a chapter suspended or revoked by the NAIFA Board of Trustees as provided in the chapter agreement. The Association may resign as a NAIFA chapter, provided that all financial and other obligations of the Association to NAIFA and to NAIFA-*California* have been fulfilled, and such resignation shall become effective when accepted by the NAIFA Board of Trustees, and by such resignation the Association shall surrender all right to use the NAIFA name and all other NAIFA property.

Section 4: As an appointed NAIFA local chapter, this Association shall organize, direct, and coordinate local-area programs, activities, and groups, in a manner consistent with its mission and with the terms and conditions of the NAIFA local chapter agreement.

Article V – Membership in NAIFA Local Chapters

Section 1: Membership in this Association is available to qualified individuals in the active, associate, or honorary class, who agree to adhere to these bylaws, to the NAIFA Code of Ethics, and to other applicable membership rules and policies of NAIFA.

Section 2: Active Membership. (a) Active members of the Association shall be insurance and financial advisors licensed to sell life, health, or property-casualty insurance, or securities, such as agents, brokers, supervisors, general agents, managers, and others engaged in local management and distribution. Individuals shall not be eligible for active membership unless they are clearly identified with the agency field as distinguished from the home office.

(b) The NAIFA Board of Trustees may designate a category of membership for individuals (Emeritus Members) who otherwise qualify for active membership and have reached a specified age.

(c) Active members must be members of NAIFA and live, work, or be licensed in or near the state of the Association. Active members who join the Association as a second (or additional) local chapter may be required to pay a second-chapter fee.

(d) Active members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all of the privileges of the Association, including voting and holding office.

(e) The NAIFA Board of Trustees may define other subcategories of the Active category of membership, including their qualifications, privileges, and obligations.

Section 3: Associate Membership. (a) Associate members of the Association shall be individuals affiliated in any capacity with the home office or agency office of an insurance company or those affiliated in any capacity with a profession or a publishing house, trust company or any other business organization related in any manner to the insurance and financial services industry. These may include, but are not limited to, accountants, attorneys, authors, editors, educators, publishers, trust officers and others in related fields of endeavor. The NAIFA Board of Trustees may define other subcategories of the Associate category of membership, including their qualifications, privileges, and obligations.

(b) Associate members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all of the privileges of the Association, except those of voting and holding office, provided that an associate member shall be entitled to vote for candidates for election to office in the Association and shall be entitled to be elected as a voting member of the board of directors (but not as an Executive Committee officer) of the Association. The number of associate members serving as directors on the Association's board of directors shall not constitute a majority of the board.

(c) There shall be a category of associate member known as "student associate member" for individuals enrolled in an accredited university, or such other academic institution which may be approved by the NAIFA Board of Trustees, and who have an interest in insurance or financial services. Persons who are eligible for active membership shall not be eligible for student associate membership. Student associate members shall pay membership dues as determined by the NAIFA Board of Trustees and shall be entitled to all the privileges of the Association except those of voting or holding office.

Section 4. Honorary Membership. Any person who has performed distinguished public service in the field of insurance and financial services, or in the community, and who is not an active or associate member of NAIFA may be elected as an honorary member of the Association for the period of one or more years. An honorary member shall pay no membership dues and shall be entitled to all privileges of the Association except those of voting and holding office.

Section 5. Membership Admission, Resignation, and Discipline. Admission to membership in the Association shall be according to rules prescribed by the NAIFA Board of Trustees. Any member may resign by submitting written notice of resignation to NAIFA; however, resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion from membership and does not require advance notice to the member. Any member proposed for expulsion from membership or for other discipline for any reason other than failure to pay dues will be given notice of the proposed discipline, an opportunity to respond to the proposed discipline, and final notice of the decision, pursuant to the membership disciplinary process prescribed by the NAIFA Board of Trustees.

Article VI – Officers

Section 1: The officers of the Association shall be a President, an Immediate Past President, a President-Elect, Vice President, a Secretary, a Treasurer (or a Secretary-Treasurer), a National Committeeperson, and an Association Executive (ex officio, without a vote). Officers shall be selected with due consideration to geographical distribution to ensure representation of members from throughout the local area. The authority and duty of each officer shall be such as is defined in these bylaws.

Section 2: Each officer, except the Association Executive, shall be an active member in good standing of NAIFA. Associate members may serve as Vice Presidents. No person may hold more than one officer position in the Association at the same time except for the positions of Secretary and Treasurer, which may be combined.

Section 3: All officers except the Association Executive shall serve without compensation, except that the officers may be reimbursed for expenses in the performance of their duties.

Section 4: The Board of Directors shall appoint the Association Executive and fix the Association Executive's salary.

Section 5. The President-Elect, the Vice Presidents, the Secretary, the Treasurer (or the Secretary-Treasurer), and the National Committeeperson, shall be elected by the Association's members at the time of the Association's annual meeting, for a term of one year or until their successors are elected, in the manner prescribed in these bylaws, except for the National Committeeperson, who shall serve a three-year term or until a successor is elected. At such time the then current President-Elect and President shall automatically succeed to the offices of President and Immediate Past President, respectively, for a term of one year.

Section 6. The President shall preside at all Association meetings and at all meetings of the Association Board of Directors and shall perform such other duties as usually pertain to the office of President. The President shall appoint and be an ex officio member of all standing and special committees of the Association.

Section 7. The Association Executive shall be the active managing officer of the Association under the supervision and direction of the Executive Committee and Board of Directors and shall perform such duties as are specified or implied in these bylaws or as may be assigned by the Executive Committee or Board of Directors. The Association Executive shall be in executive charge of the Association offices and shall be responsible for the selection and supervision of the staff personnel subject to the direction and control of the Board of Directors.

Section 8. In the event of the inability of the President to perform the President's duties, the President-Elect shall perform the duties of, and have the same authority as, the President. The President-Elect shall also perform such other duties as usually pertain to the office, or as may be assigned by the President or the Board of Directors. The President-Elect, with the advice of the Board of Directors, shall anticipate the duties of the President during the next association year and

prepare committee appointments no later than fifteen (15) days after advancement to the office of President.

Section 9. The Secretary shall sign official documents issued by the Association when appropriate; shall affix the corporate seal of the organization when required; and shall perform such other duties as are requested by the President or the Board of Directors.

Section 10. The Treasurer shall submit all financial statements, audits, and reports to the Board of Directors, and shall perform such other duties as usually pertain to the office, or as may be assigned by the President or the Board of Directors.

Section 11. The Immediate Past President and Vice President(s), shall perform such duties as may be assigned by the President or the Board of Directors.

Section 12. The National Committeeperson shall serve as the liaison between the Association, NAIFA, and NAIFA-*California* and shall report back to and take counsel with the Association with reference to matters arising in and referred to the NAIFA National Council and NAIFA-*California* Delegate Council, the NAIFA Board of Trustees and the NAIFA-*California* Board of Directors, and the various standing and special committees of NAIFA and NAIFA-*California*.

Article VII – Board of Directors

Section 1: The Association Board of Directors shall consist of the President, the Immediate Past President, the President-Elect, the Secretary, the Treasurer (or Secretary-Treasurer), the National Committeeperson, and the Vice President(s).

Section 2. The Board of Directors shall define the policies and have full administrative authority in all matters of the Association.

Section 3. The construction and interpretation of these Bylaws by the Board of Directors shall, in the absence of contrary interpretation by the NAIFA Board of Trustees, be final and binding except as set forth in Section 5 of this Article.

Section 4. There shall be an Executive Committee composed of the President, the Immediate Past President, the President-Elect, the Secretary, the Treasurer (or the Secretary-Treasurer), and the National Committeeperson, and delegated to it are the duties and powers of the Board of Directors, with such duties to be performed and powers to be exercised only when the Board of Directors is not in session. The President or, in the President's absence or inability to perform, the President-Elect, shall have the power to call a meeting of the Executive Committee. The Executive Committee shall maintain minutes of all action taken by it, which shall be reported to the Board of Directors at its next meeting following any such action. Unless disapproved by vote of the majority of the Board present at such next meeting, the action of the Executive Committee shall be final to the same extent as though taken by the Board of Directors under these Bylaws. A quorum of the Executive Committee shall consist of not less than four (4) members.

Section 5. All decisions of the Board of Directors shall be final and binding upon the Association, except that upon notice of a minority of one less than 50% of the Board, filed with the Secretary within twenty-four (24) hours of any decision (except decisions concerning administrative matters), the action may be stopped and the matter referred for final determination by the Association's general membership, at the next regular or special meeting. In such case, affected third parties shall be immediately advised of such action.

Section 6. The Board of Directors shall meet in person, by telephone conference or by other lawful means at such times and places as may be determined by action of the Board, by call of the President, or by the written request of four members of the Board; provided that there shall be four meetings each year. Advance written notice of the time and place of every meeting of the Board of Directors shall be sent to each member of the Board by the Association Executive.

Section 7. The Board of Directors may, without meeting together, transact business by mail by voting upon proposals mailed to them by the Association Executive with the approval of the President, provided that every Board member responds in writing and that approval of any proposal is unanimous.

Section 8. A majority of the Board of Directors shall constitute a quorum for the transaction of all business, except in cases where a larger vote is required under these bylaws.

Section 9. If any vacancy occurs in any officer position, the Board of Directors shall fill such position until the next Association annual meeting. An officer may be removed from the Board for cause by a two-thirds vote of the Board of Directors, provided such officer is granted an opportunity to be heard as determined by Board policy.

Article VIII – Meetings

Section 1. The Association shall hold regular meetings on such dates and times and places as shall be determined by the Board of Directors.

Section 2. A quorum for an Association meeting shall consist of ten percent 10% of the active members. Unless otherwise provided by the Bylaws, a majority vote of those eligible members of the Association voting shall govern. Cumulative and proxy voting shall not be permitted. The Association may take action without a meeting when determined by the Board of Directors and at such times a quorum shall consist of one-twentieth (1/20) of the active members of this Association.

Section 3. An annual meeting of this Association shall be held at such time and place as shall be determined by the Board of Directors.

Section 4. Special meetings of this Association shall be called by the President upon the request of 25% of the active members of this Association or upon the request of three-fourths (3/4) of the members of the Board of Directors. Special meetings may be held by means of the Internet or other permissible electronic communications, as the Board of Directors may direct. No business shall be transacted at a special meeting other than that specified in the notice of the meeting.

Section 5. The Association Executive shall give notice of the Annual Meeting to each member at least sixty (60) days prior to the date of the meeting, and an official call for any special meeting at least thirty (30) days prior to the date of the same.

Article IX – Committees

Section 1. The President, in consultation with the Board of Directors, shall appoint the standing committees (Government Relations, Membership, and Professional Development and Education) and such other committees as the Board may determine, with such duties and such terms of appointment as the Board may prescribe. Any member of any committee may be removed at the discretion of the Board.

Section 2. The Government Relations Committee shall examine proposed legislation and regulations affecting life and health insurance and related financial services introduced in this state and by the federal government. The Committee shall submit any recommendations concerning approval, disapproval or revision of such legislation or regulations to the Board of Directors, and, where appropriate, shall present the view of this Association to proper committees of the Legislature and others and communicate recommendations to NAIFA and to NAIFA-California. The Committee shall develop programs and activities to promote contributions to this Association's PAC and NAIFAPAC and to aid individuals in becoming more knowledgeable and involved in politics and government. The Committee shall seek to enhance awareness of the purposes and opportunities of NAIFAPAC and this Association's PAC by making contributions to selected candidates for state elective office. The Committee shall promote the involvement of this Association in the election of candidates for local, state, and national office, consistent with the legislative views of this Association. The Committee shall also identify and foster the creation of member relationships with elected officials. The Committee may carry out its duties through subcommittees or task forces on legislation, political action, and political involvement. A member of the Committee shall be appointed to the position of Local IFAPAC Chair, to execute the political action functions of the Committee, and a member of the Committee shall be appointed to the position of Local APIC Chair, to execute the political involvement functions of the Committee, and the appointee(s) shall be reported to NAIFA and NAIFA-California within 30 days of appointment.

Section 3. The Membership Committee shall assist with the development, coordination, and implementation of membership recruitment and retention campaigns of NAIFA, NAIFA-California, and the Association.

Section 4. The Professional Development and Education Committee shall provide support for professional career development, educational, and other benefit programs for Association members.

Article X – Revenue

Section 1. The NAIFA Board of Trustees shall establish rates for dues to be paid by each class, category, and group of members of NAIFA, including this Association, and shall allocate twenty

percent (20%) of such members' membership dues to this Association and twenty percent (20%) of such members' membership dues to the state chapter(s) to which such members belong.

Section 2. The NAIFA Board of Trustees shall determine any procedure for the suspension and revocation of membership in NAIFA and in this Association for a member's failure to pay dues. Dues are not refundable, except as may be prescribed by the NAIFA Board of Trustees.

Article XI – Nominations and Elections

Section 1. At least three (3) months prior to the date of the annual meeting, the President shall appoint a Governance Committee to consist of at least three (3) members of this Association, and with one (1) member, if possible, being a Past President of this Association who will serve as Chair. The duties of the Governance Committee are to seek, receive, and prepare nominations for officer positions and to have general charge of the election of officers and other matters brought to a vote of the membership.

Section 2. The Committee on Governance shall solicit recommendations of nominees for offices to be filled at the annual meeting and shall investigate the qualifications of all persons under consideration. No person shall be recommended for any office without the consent of such person being first obtained. The Governance Committee shall also prepare all resolutions to be brought before the membership during the annual meeting of this Association.

Section 3. No later than 60 days before each annual meeting, the Governance Committee shall select and announce for submission for the offices of President-Elect, Secretary and Treasurer (or Secretary-Treasurer), one (1) candidate for each of these offices, and shall also select and announce one (1) candidate for submission for each vacancy for any other officer position.

Section 4. The Governance Committee shall make its report to the membership at the annual meeting. Further nominations may be presented from the floor, provided that the name of any candidate for officer to be nominated from the floor must have been disclosed to the Secretary in writing no later than 30 days before each annual meeting.

Section 5. At such time during the annual meeting as may be fixed by the Board of Directors, and according to the procedures prescribed by the Board of Directors, the membership shall vote upon and elect the President-Elect, the Secretary, the Treasurer (or the Secretary-Treasurer) and the number of other officers necessary to fill vacancies by reason of expiration of the terms of office of the incumbents in accordance with these bylaws.

Article XII – Finance

Section 1. The NAIFA Board of Trustees shall prescribe the fiscal year for the Association.

Section 2. The Board of Directors shall, for each fiscal year, appoint a certified public accounting firm to express an opinion on the financial statements of the Association. The audited financial statements of the Association and the report of the auditors for each fiscal year shall be published for the information of the membership.

Article XIII – Parliamentary Authority

Section 1. Robert’s Rules of Order (Revised) shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

Section 2. The rules of procedure may be suspended by two-thirds vote of those present and voting at any meeting.

Article XIV – Amendment of Bylaws

Section 1: Amendments to these bylaws, if in conformity with the policies of NAIFA, may be made at any meeting of the Association by a majority vote of the members present and voting, provided that there shall be a quorum present. A quorum for these purposes shall be as provided in Article VIII, Section 2 of these bylaws. The membership may amend these bylaws without a meeting, by regular mail, electronic mail, online voting, or other permissible methods, as directed by the Board of Directors, where at least one-twentieth (1/20) of active members participate in the vote and where the amendment is approved by a majority of votes cast.

Section 2: Proposed amendments which are to be considered by the membership pursuant to Article XIV, Section 1 of these bylaws shall be received by the Secretary at least sixty (60) days prior to the date of the meeting (or the date a voting period begins in the absence of the meeting). The Secretary shall send a copy of all proposed amendments to each member of this Association not less than thirty (30) days prior to the date of the meeting (or the date a voting period begins in the absence of the meeting).

Section 3: Amendments to these bylaws may be made by a majority vote of the full Board of Directors at any meeting of the Board of Directors, provided however, that the Board may not adopt any amendment which would limit the powers of the membership under these Bylaws. A copy of any amendment to these bylaws adopted pursuant to this Section 3 shall be sent by the Secretary to each member of this Association within twenty (20) days of the date of adoption of the amendment by the Board of Directors.

Section 4: Proposed amendments to these bylaws shall be effective only when approved by the NAIFA Board of Trustees and the NAIFA-California Board of Directors.

Article XV – National and State Affiliation

Section 1. In recognition of the values of national fellowship and cooperation available to this Association through its privileges and rights of participation in the governance and activities of NAIFA and NAIFA-*California*, it is hereby declared a major policy of this Association to comply with its NAIFA Local Chapter Agreement and to exercise fully those privileges and rights granted to it, and to discharge promptly all lawful obligations imposed upon it, by NAIFA and NAIFA-*California*. This Association shall conform to the accepted standards for NAIFA local chapters as set forth from time-to-time by the NAIFA Board of Trustees and the NAIFA-*California* Board of Directors.

Section 2. The Board of Directors shall provide for the prompt review, approval and forwarding of all reports required or requested by NAIFA and NAIFA-*California*.

Section 3. The Board of Directors shall provide for the prompt payment of any indebtedness to NAIFA and to NAIFA-*California*].

Section 4. Insofar as possible, this Association shall be represented by its President and National Committeeperson, or their duly appointed alternates, at all appropriate meetings of NAIFA and of NAIFA-*California*. Provision for the expense of representation at such conventions and meetings may be made by the Board of Directors in preparing the budget of this Association.