

## Chapter Bylaws

### Model Chapter Constitution (or Articles of Incorporation) of the New Mexico Chapter of the CPCU Society

- I. Name: The name of this organization (corporation) shall be the New Mexico Chapter of the CPCU Society (Chartered Property Casualty Underwriters).
- II. Purposes: The purposes for which this organization (corporation) is formed are:
  - A. To foster the continuing education of those engaged in property and casualty insurance.
  - B. To stimulate the interest of students contemplating professional careers in property and casualty insurance.
  - C. To lend encouragement to those aspiring to achieve the Chartered Property Casualty Underwriter designation.
  - D. To conduct seminars and other educational projects that will assist members of the Society in their professional development.
  - E. To cooperate with the American Institute for Chartered Property Casualty Underwriters in extending its influence and education program among the universities and colleges of the United States of America.
  - F. To maintain at all times the dignity and high professional standards that properly attach to the Chartered Property Casualty Underwriter designation.
  - G. To promote social and friendly relations among Chartered Property Casualty Underwriters.
  - H. To cooperate with national, regional, state, or local associations or organizations of persons engaged in property and casualty insurance, especially with respect to the education of their membership in sound insurance practices.
- III. Nonprofit: No pecuniary gain or profit incidental or otherwise to members of the organization is contemplated. In the event of dissolution of the organization (corporation), the Board of Governors shall adopt a plan of distribution, which will provide for the distribution of assets remaining, after the payment of all debts, to or among one or more organizations not for profit, the purposes and functions of which are similar in character to those of this organization.

**Note:** All individuals contemplating formation of a chapter are advised that incorporation of the chapter is the preferred method of organization. Incorporating the organization provides limited liability whereas officers and directors of unincorporated associations may have their personal assets exposed to liability generated by improper acts of the chapter or one of its officers or directors.

Section 1. The New Mexico CPCU Society Chapter is a not for profit organization, organized exclusively for educational purposes within the meaning of section 501 (c)(6) of the Internal Revenue Code.

Section 2. The CPCU Society is dedicated to meeting the needs of professionals who have earned the CPCU designation, so they may serve others in a competent and ethical manner.

### **Article I. Membership and Dues**

Section 1. Membership. Any person who is a member in good standing of the CPCU Society, may become a member of the New Mexico Chapter of the CPCU Society upon payment of chapter dues as established by the New Mexico Chapter's Board of Directors.

Section 2. Candidate Membership. All CPCU Society candidate members may join the local chapter. Candidate members will pay half the regular chapter member dues. Candidate members may not serve as officers, but may serve on committees and task forces.

Section 3. Dues. Chapter dues are payable yearly. Members more than three months in arrears after payment is due shall be suspended from membership.

Section 4. Termination of Membership. In the event of an expulsion of a CPCU Society member by the Board of Governors, membership in the New Mexico Chapter shall also terminate.

### **Article II. Executive Committee and Task Forces**

Section 1. Executive Committee. The Chapter will operate with an executive committee of at least two members and not exceeding four members to coordinate the administration and activities of the chapter. Each member will have equal authority, with one member handling the financial duties. The Committee shall operate as officers and decide the make up of chapter leadership positions.

Section 2. Directors. The Board of Directors shall consist of the officers and Ex officio members.

Section 3. The Chapter Executive Committee shall establish and appoint task forces as necessary to carry on the purpose of the CPCU Society and the chapter.

Section 4. Terms and Succession. Each officer shall each serve for a term of one year or two years or until his or her successor is elected and installed in office. The committee members shall not serve more than two full terms in succession in the same office.

### **Article III. Nominations and Elections**

Section 1. Nominating Committee. A Nominating Committee, consisting of two members appointed by the current board of directors shall present a nomination for each elective office at the chapter's annual business meeting, after which other nominations may be made from the floor. Election shall be by a majority of the members present and voting. The election and installation of chapter officers and directors shall be completed in accordance with the administrative rules of the CPCU Society in the Administrative Manual.

Section 2. Vacancy. In the event of a resignation or incapacity of any officer or director the Board of Directors shall designate a qualified member of the chapter to fill the office until the next regular opportunity available to the membership for the election of a successor.

Section 3. Removal. Officers and Directors may be removed for proper cause by a two-thirds affirmative vote of the Board of Directors. For any cause other than nonpayment of dues, a vote for removal shall occur only after the officer complained against has been advised of the complaint lodged and has been given reasonable opportunity for defense; and such officer, if removed, may appeal the decision of the Board of Directors to the Annual Business Meeting of the New Mexico Chapter provided that notice of intent of appeal is given to the president (or the president-elect if the complaint is against the president) at least thirty (30) days in advance of the meeting unless the decision of the Board of Directors is made within thirty (30) days prior to the Annual Business Meeting, then notice shall be given within a reasonable period of time. Only those charges brought by a voting member in writing will be considered.

#### **Article IV. Meetings of the Board of Directors**

Section 1. Meetings. The Board of Directors shall meet formally at least twice a year to discharge its responsibilities as given in these Bylaws. It shall also meet at such other times and places as may be determined by action of the Board of Directors, by call of the officers or by written request of two members of the Board of Directors. A written notice of the time and place of all formal meetings of the Board of Directors shall be mailed or sent by some acceptable electronic means to each member of the Board of Directors not less than five days prior to said meeting.

Section 2. Quorum. A majority of the voting members of the Board of Directors shall constitute a quorum for the transaction of business at a formal meeting.

Section 3. Authority of Board. Subject to the ultimate authority which vests in the membership of the New Mexico Chapter, the Board of Directors shall define the policies consistent with that of the CPCU Society and shall have full administrative direction of the chapter. The Board of Directors may appoint an executive secretary, or other administrative officer, to execute the business of the chapter. The Board of Directors may delegate such powers as it deems desirable to any officer or to the Executive Committee.

#### **Article V. Duties of the Executive Committee**

Section 1. At least one member of the executive committee shall preside at all meetings of the New Mexico Chapter. All officers shall perform such other duties as may be assigned to them by the Board of Directors. The Board of Directors shall assign responsibility for oversight of task forces.

#### **Article VI. Fiscal Policies**

Section 1. Fiscal. The fiscal year shall coincide with the chapter officers' term unless designated by the Board of Directors.

Section 2. Dues. The Board of Directors shall determine dues of the New Mexico Chapter and the amount shall be communicated to the CPCU Society office for billing purposes.

Section 3. Dues Billings. The CPCU Society office in Malvern, PA individually invoices and collects both National Society and local chapter dues, remitting local dues periodically to the chapter treasurer.

Section 4. Waiver of Dues. The Chapter Board of Directors shall be vested with discretion and authority to waive for valid cause all or any portion of the chapter dues of any member. [Note: One purpose of this provision is to allow chapters to waive chapter dues for retired persons who have chosen the lifetime retired membership status or to charge ½ the regular chapter dues for those retired members who pay annual Society dues at the retired membership rate.]

Section 5. Deposits. Funds of this chapter shall be deposited in institutions designated by the Board of Directors.

Section 6. Budget. The Board of Directors may, prior to the beginning of each fiscal year, prepare an annual budget for the approval of the membership.

Section 7. Authorized Signatures. All disbursements shall be made by voucher check, showing the payee, the item of service rendered or materials purchased, and the amount of payment. All checks shall be signed by two members of the Board of Directors, one of which shall be the president or president-elect. In case of the absence or incapacity of the persons authorized to sign checks, the Board of Directors shall designate the substitutes. Officers authorized to sign checks shall give bond for the faithful discharge of their trust in such sums and with such sureties as the Board of Directors may require. [Note: The Society provides this.]

Section 8. Aggregate Disbursements. Aggregate disbursements in any fiscal year shall not exceed the gross amount of the chapter's annual budget, unless authorized by the affirmative vote of a majority of the voting members of the Board of Directors.

Section 9. Investments. The Board of Directors shall direct the investment of the assets of the chapter.

## **Article VII. Amendments and Ratifications**

Section 1. Chapter Constitution and Bylaws Changes. The constitution and bylaws of the New Mexico Chapter may be amended in the following manner:

- (1) Any proposed amendment must first be approved by two-thirds of the voting membership of the Board of Directors or by a petition signed by at least one-third of the entire membership.
- (2) Upon such approval, or petition filed with the secretary for the chapter, a copy of the proposed amendment shall be sent to the membership with a return mailer addressed to the vice president administration, or with provisions for returning the member's personally signed vote by some other means (e.g., faxing, e-mailing). [If the chapter has a paid executive secretary or other administrative officer, the chapter may want to include a provision that allows the secretary to designate that the votes be returned to that person.]
- (3) Members shall express their desire to ratify or reject such proposed amendment by personally signed vote, which must be returned within four weeks of the date on which the proposed amendment was sent to the membership.
- (4) At the end of the four-week period specified above, the proposed amendment shall be deemed ratified by the membership only in the event that at least two-thirds of the voting membership shall cast affirmative ballots.

(5) When the New Mexico Chapter amends its constitution or bylaws as approved by the Board of Governors of the CPCU Society, the chapter shall file within 30 days a revised copy with the Secretary/Treasurer of the CPCU Society and no such amendments shall be effective until approved by the Board of Governors of the CPCU Society.

(6) Dissolution of the chapter shall be under the supervision of the CPCU Society Board of Governors.

Section 2. Validity of Bylaws. In the event a court of competent jurisdiction shall hold a portion of these bylaws to be invalid, the remainder of the bylaws not so held invalid shall be considered in full force and effect.

Charter and bylaws of the New Mexico Chapter are hereby approved by action of the Board of Governors of the CPCU Society this 14<sup>th</sup> day of April, 2005 at Phoenix, AZ



Secretary/Treasurer

CPCU Society