

**Article/Section**

**ARTICLE I – NAME, OFFICES, PURPOSE**

**Sec. 1: Name**

The name of the Corporation shall be The National Association of Catastrophe Adjusters Inc.

**Sec. 2: Principal Office**

The principal office of the Corporation shall be a physical address in the location designated by the Board of Directors. The Corporation may have such other offices, either within or without the State as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

**Sec. 3: Registered Office**

The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the state’s Nonprofit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Texas, and the Board of Directors may change the address of the registered office from time to time.

**Sec. 4: Type of Nonprofit**

*The Corporation is a tax-exempt 501(c)(6) nonprofit, as defined by the Internal Revenue Code of 1986, as amended (the “Code”). The Corporation is not able to accept charitable donations.*

**Sec. 5: Purpose**

The purpose or purposes for which the corporation is organized are: To promote and maintain the highest ethical practices and professional standards in the insurance claims profession and all other related activities.

## **ARTICLE II – MEMBERS**

### **Sec. 1: Voting Member**

An individual is eligible for membership who has a minimum of four (4) years claims adjusting experience representing an insurance carrier and derives the major part of his/her income from the handling, adjusting, supervision or investigation of claims for or on behalf of insurance adjusters, insurance companies or self-insureds. This allows one (1) vote per voting membership. Paper or Electronic voting methods may be utilized to approve a member.

### **Sec. 2: Non-voting Member**

Any individual who does not meet the Voting Member qualifications pursuant to Sec. 1 immediately above may be eligible to become a Non-Voting Member. Any new applicant for Non-Voting Membership will become a Non-Voting Member immediately upon submission of his/her application and dues. All Non-Voting Members may apply to be a Voting Member in the Corporation by requesting voting membership standing and meeting voting membership criteria.

### **Sec. 3: Business Members**

Adjusting firms, executives of insurance companies or firms, and individuals or firms associated with the claims handling business can apply for a Business Membership in the Corporation. Business Members do not have voting privileges.

### **Sec. 4: Life Members**

Life Member Candidates may be given to those Voting Members who are deserving of such recognition for their long tenure as an active member, and for their past contributions to the Corporation. Names of all candidates for Life Member Candidates shall be submitted to the current Executive Committee according to the Standard Operating Procedures for Life Member Candidates.

### **Sec. 5: Resignation or Termination of Membership**

- A. Any member may resign their membership by filing a written resignation with the Corporation, but such resignation shall not relieve the member of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid.
- B. Any member who has not paid dues prior to June 30th shall be automatically dropped from membership until such time that he/she pays current dues plus the reinstatement fee.

**Sec. 6: New applicants for membership**

- A. Licensed Public Adjusters in any state or anyone who has worked as a Public Adjuster in the preceding two (2) years is prohibited from membership. Membership shall be forfeited upon working as a Public Adjuster.
- B. To apply for membership, an applicant must have and maintain licenses as independent adjusters where such licenses are required by law in the localities where they operate.

**Article III: Meetings**

**Sec. 1: Annual Meeting**

An Annual Meeting of the members shall be held during the first three (3) months of each calendar year, for the purpose of electing Directors, publication of the written annual report, and for the transaction of other business as may come before the meeting. The day and time of such Annual Meeting shall be as determined by the Board of Directors. In the absence of such action by the full Board of Directors, the Executive Committee is so empowered. If the election of Directors shall not be held on the day designated herein for any Annual Meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held as soon as thereafter convenient.

**Sec. 2: Special Meetings**

Special meetings of the members may be called by the Chairman of the Board, the President, the Board of Directors, or not less than one-tenth (1/10) of the members having voting rights outside of the annual meeting. Such meetings require the taking of and permanent storage of minutes.

**Sec. 3: Place and Time of Meeting**

The place and time for each meeting of members shall be designated by the Board of Directors or other person(s) calling such meeting, which shall be reasonably convenient. If no designation is made, the place of meeting shall be the registered office of the Corporation in the State of Texas and the time for the meeting shall be 12:01 p.m.

**Sec. 4: Notice of Meeting**

Written, e-mailed, or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally, electronically (including social media) or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the Chairman of the board, or the Secretary, or the person(s) calling the meeting. In case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called

shall be stated in the notice. If mailed, the notice of the meeting shall be deemed to be delivered one (1) day after mailed if deposited in the United States mail addressed to the member at his/her address as it appears on the records of this Corporation with postage thereon prepaid.

**Sec. 5: Quorum**

Those voting members present at any annual meeting shall constitute a quorum. Any special meetings require a minimum of twenty five percent (25%) of Voting Members.

**Sec. 6: Proxies**

No member may vote by proxy or agent in cases of election of Directors by cumulative vote.

**ARTICLE IV - BOARD OF DIRECTORS**

**Sec. 1: General Powers**

Its Board of Directors shall manage the affairs of the Corporation. Directors shall serve on at least one Management Division Committee or shall be an officer of the Corporation.

**Sec. 2: Number, Tenure**

Subject to the provisions of the following sentences, the number of Directors shall be a minimum of seven (7) and a maximum of eleven (11), and each shall hold office until the second Annual meeting of members following his/her election or until his/her successor is elected (whichever is later).

Directors may serve a maximum of three consecutive two-year terms prior to rotating off the Board of Directors for a period of not less than two (2) years before they become eligible for additional service on the Board of Directors.

Effective election date convention 2020, current Executive Committee Members whose tenure exceeds four consecutive years of service on the Board, may complete their current term plus one additional optional two-year term as members of the Board of Directors.

The limiting of service on the Board of Directors to three consecutive two-year terms prior to succession shall not have an effect of preventing a Director from serving as an officer-elect or an officer past the three-term period for the purpose of completing the term of his/her office or office-elect or successive office.

**Sec. 3: Meetings**

An Annual Meeting of the Board of Directors shall be held without notice within seven (7) days of the Annual Meeting of members. The Board of Directors may provide by agreement the time or means, for the holding of additional regular meetings of the Board. Regular meetings of the Board of Directors shall be held no less than four (4) times a year at such times or means (Electronic or in Person) as the Board of Directors may fix by agreement. In the absence of such action by the full Board of Directors, the Executive Committee is empowered to fix the times and means of regular meetings. The Board of Directors will use the least expensive method to conduct the meetings to ensure the Corporation's funds are used in the most fiscally responsible method. Minutes shall be taken and permanently stored for all regular and special meetings of the Board of Directors.

**Sec. 4: Special Meetings**

Special meetings of the Board of Directors may be called by the President or not less than one-fourth (1/4) of the Directors. The President or Directors, as the case may be, calling the special meeting shall designate the time and means, which shall be reasonably convenient. If no designation is made, the place of meeting shall be the registered office of the Corporation and the time for the meeting shall be set by the participants.

**Sec. 5: Notice of Meetings**

Written, e-mailed, or oral notice stating the place, date, and hour of any regular or special meeting of the Board of Directors shall be delivered, either personally, by telephone, electronically, or by mail, to each Directors entitled to vote at such meeting not less than twenty-four (24) hours prior to the hour of such meeting by or at the direction of the Officer or Directors calling same.

**Sec. 6: Waiver**

Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**Sec. 7: Quorum**

Fifty-one percent (51%) of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Sec. 8: Manner of Acting**

The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law or by these bylaws. The Board of Directors shall keep regular minutes of its proceedings.

**Sec. 9: Vacancies**

Any vacancies occurring on the Board of Directors shall be filled by a majority of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

**Sec. 10: Qualification**

The entirety of the Board of Directors shall be volunteers. In case of dispute, as to the qualification of a person, the decision of the Board of Directors shall be final and conclusive.

**Sec. 11: Removal**

The failure of any Directors to attend at least two (2) consecutive meetings of the Board of Directors, without an excuse acceptable to a majority of the Board, shall constitute good cause for removal and such absent Director may be removed automatically from membership as a Director of the Corporation without the necessity of further action.

**Sec. 12: Proxy**

No Director may vote by proxy or agent. A Director must be present at the meeting, via phone, live electronic transmission or in person to place a vote.

**Sec. 13: Nominations**

A Nominating Committee will be appointed as needed by the Board of Directors to fill any Director vacancies, whether from expiration of terms or resignation. The Nominating Committee will be composed of a majority of the members of the Board of Directors. Total membership on the Committee shall be no more than ten (10) and no less than five (5).

**ARTICLE VI - EXECUTIVE COMMITTEE**

**Sec. 1: Constituency**

The number of Executive Committee members shall be at least five (5) persons, to include the Officers of this Corporation: President of the Board, Vice President, a Secretary, a Treasurer, the immediate past President of the Board.

**Sec. 2: Authority**

Between meetings of the Board of Directors, the Executive Committee shall have and exercise the authority of the Board of Directors in the management of this Corporation. All actions of the Executive Committee shall be consistent with the policies adopted by the Board of Directors and shall be reported at the next meeting of the Board of Directors. The designation and appointment of any such Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed upon it or him/her by law.

**Sec. 3: Vacancies**

Any vacancies of the Executive Committee shall be filled by a majority vote of the Board of Directors.

**Sec. 4: Tenure and Qualifications**

An Officer may continue on the Executive Committee after their board term has expired so long as the officer is re-elected to the Board of Directors by the membership at the annual convention and the Board of Directors approves such Officer's appointment.

**Sec. 5: Meetings**

Meetings of the Executive Committee may be called by the President or not less than one-fourth (1/4) of the executive committee membership.. The Officers or members authorized to call such meeting may fix the time and place of said meeting, which shall be reasonably convenient; but if no designation, the Executive Committee will use the least expensive method to conduct the meetings to ensure the organization's funds are used in the most responsible method.

**Sec. 6: Notice**

Written, e-mailed, or oral notice stating the place, date, and hour of any regular or special meeting of the Board of Directors shall be delivered, either personally, by telephone, electronically, or by mail, to each Directors entitled to vote at such meeting not less than twenty-four (24) hours prior to the hour of such meeting by or at the direction of the Officer or Directors calling same.

**Sec. 7: Waiver**

Any member of the Executive Committee may waive notice of any meeting. The attendance of a Director at the Executive Committee at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**Sec. 8: Quorum**

Fifty-one percent (51%) of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

**Sec. 9: Prohibited Actions**

Irrespective of the general powers delegated to the Executive Committee under **Article VI, Sec. 2**, said Executive Committee shall not have the authority of the Board of Directors with reference to amending the Article of Incorporation; adopting a plan or merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease or exchange of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such Committee. This Section and the prohibitions herein stated shall be deemed paramount and superior to all other provisions of these Bylaws.

**Sec. 10: Telephonic Meeting**

Subject to the provisions for notice required by these Bylaws, the Executive Committee may participate in and hold a meeting by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other. Participation in the meeting shall constitute presence in person at the meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called or convened.

**Sec. 11: Procedure**

The Executive Committee may fix its own rules of procedure that shall not be inconsistent with these Bylaws and shall keep regular minutes of its proceedings.

**Standard Operating Procedural Manual**

The Corporation shall keep at all times a Standard Operating Procedural Manual, herein abbreviated as (“SOP”), that contains standard business practices of the Corporation as approved by the Board of Directors. No revisions may be made to the SOP without the consent via recorded vote in an official meeting of the Board of Directors. The SOP must be stored electronically and made available to membership upon request within a reasonable amount of time.

## **ARTICLE VII - COMMITTEES**

### **Sec. 1: Committees of the Board of Directors**

In addition to the Executive Committee provided herein, the Board of Directors by resolution or appointment may designate one or more committees, each of which shall consist of one or more Directors, which committees, to the extent provided in said resolution, shall act as advisors to the board and staff on designated issues; subject, however, to the prohibitions contained in Article VI, Sec. 9, of these Bylaws. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed on him/her by law. Suggested committees include: Administration, Resource Development, Marketing, Programs, Community Involvement, Board/Volunteer Committee, Membership.

### **Sec. 2: Membership**

Individual members of the Corporation who are not board members may serve on the committees. Staff may be designated by the Executive Director or- President of the Board-to serve on committees.

### **Sec. 3: Chairs and Vice-Chairs**

The chair or vice-chair of any board-appointed committee must be a member of the board of directors.

## **ARTICLE VIII – Executive Director and Staff**

Sec. 1: The Board of Directors may, as it sees fit, hire paid staff to fulfill administrative duties. If an Executive Director is hired, any other paid staff shall serve under the authority and supervision of the Executive Director. The Board of Directors would have the authority to hire any additional staff as needed with a majority vote.

### **Sec. 2: Executive Director**

The Board of Directors may, at its option, employ an executive director, who will serve as a non-voting, unofficial member of the Board of Directors.

**Sec. 3: Term**

The Executive Director shall serve for as long as the Board of Directors, by contract or otherwise, shall employ him/her.

**Sec. 4: Duties**

The Executive Director shall supervise and direct the operation of the business of this Corporation, the personnel employed thereby and the public relations with respect thereto. The precise services of the aforesaid may be extended, curtailed, and/or further defined, from time to time, at the direction of the Executive Committee. Any additional staff will be hired, reviewed and dismissed by the Executive Director with the prior approval of the Executive Committee.

**Sec. 5: Supervision**

The supervisor of the Executive Director shall be the President of the Board, subject to the direction and authority of the Board of Directors. The evaluation of the Executive Director's performance shall be conducted at least annually by the President of the Board and approved by the Board of Directors.

**Sec. 6: Conflict of Interest**

To avoid any appearance of conflict of interest or nepotism, no relative of a member of the Board of Directors or a relative of any paid staff shall be hired, except under the circumstances outlined in the Nepotism Policy of the Standard Operating Procedures Manual. The Standard Operating Procedures Manual shall be incorporated herein by reference.

**ARTICLE IX - CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**Sec. 1: Contracts**

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract, to execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Sec. 2: Checks, drafts, etc.**

All checks, drafts, or order for payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation in such a manner as shall from time to time be determined by resolution of the Board of Directors, such instruments shall be signed by two (2) of the following: Treasurer, President of the Board, Committee Chairmen of the Board, Executive Director or other Board member so designated by the Board of Directors. Two signatures are not needed for checks issued in amounts under \$2,500. Credit card payments shall be approved for payment on the invoice by any of the above.

**Sec. 3: Deposits**

All funds of the Corporation shall be deposited within thirty (30) days to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select, as per the Standard Operating Procedure Manual.

**Sec. 4: Gifts**

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or device for the general purposes or for any special purpose of the Corporation. *\*Such gifts shall not be tax-deductible to the donor according to IRS regulations for 501(c)(6) organizations.*

**Proposed**

**Article X: Amendments to Bylaws**

**Sec. 1: Approval**

All amendments and amendments of amendments to the By-Laws shall be submitted to the Executive Committee and then to the Board of Directors for submission to the Membership.

**Sec. 2: Notification and approval**

Proposed amendments and amendments of amendments shall be considered and voted upon at any meeting of the Corporation provided the full text of such amendments has been given in writing to the Members at least thirty (30) days prior to the Meeting at which it is to be voted upon or by electronic means. An amendment shall be passed following an affirmative vote by two-thirds ( $\frac{2}{3}$ ) of the Members voting. Paper or Electronic voting methods may be utilized to approve bylaw amendments.

**Article XI (new): Non-Discrimination**

Members, Directors, Officers, employees, agents and clients of this Corporation shall be selected without discrimination by reason of race, color, religion, sex, marital status, national origin, age, or handicapping condition.

**Article XII: Indemnification**

The Corporation shall implement an indemnification policy which shall be outlined in the Indemnification Policy of the Standard Operating Procedures Manual.

**Article XIII: Special Provisions**

No part of the net earnings of the Corporation shall inure to the benefit of any individual. The property of this Corporation is irrevocably dedicated to charitable purposes and upon liquidation, dissolution, or abandonment of the owner, after providing for the debts and obligations thereof, the remaining assets will not inure to the benefit of any private person, but will be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(6) of the Code.

**End of Bylaws**