



## **NAIFA-SC Bylaws**

### **Article I - Name**

**Section 1.** The name of this Association shall be NAIFA-South Carolina

**Section 2.** The territory of this Association shall correspond to the geographical boundaries of the State of South Carolina.

### **Article II - Mission**

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

### **Article III - Membership**

**Section 1.** This association shall be a federation of individual and member associations of such individuals in this state which associations have been elected to membership by the Board of Directors of this Association, and which associations agree to be bound by the bylaws of this Association and the National Association of Insurance and Financial Advisors (NAIFA or "National Association") as adopted or amended

**Section 2.** Any member association failing to conform to the provisions of the bylaws of this Association or the National Association, or the accepted standards for elected associations, and against whom such charges are sustained after due and proper hearing before the Board of Directors, may have its membership suspended or revoked by two-thirds (2/3) vote of the entire Board of Directors.

**Section 3.** This Association, under its power to elect member associations, may establish or change the boundaries thereof, provided, however, that prior to any proposed change becoming effective, thirty (30) days notice of hearing before the Board of Directors shall be given to all associations in the territory within the boundaries of or contiguous to the member association to be created or affected and approval for such change shall be received from the National Association.

**Section 4.** This Association, under its power to elect member associations, may create an at-large association, pursuant to rules and procedures established by this Association, subject to the approval of the National Association. The membership of such an at-large association shall consist of persons eligible for active, associate or honorary membership in a member association, whose office or residence is located within this state, and for whom it is not otherwise practical to join any other member association located in this state. Notwithstanding any other requirements contained in these Bylaws or established by the Board of Directors with respect to the establishment or operation of a member association, an at-large association shall only be subject to those requirements and standards established by this Association and approved by the National Association for the operation of at-large associations. The Active members of an at large association shall have the right to hold office in this Association.



## **Article IV - Admission to Membership and Resignation**

**Section 1.** Any member association more than sixty (60) days in arrears for any indebtedness to this Association shall be considered not in good standing and may have its membership herein suspended or revoked by action of the Board of Directors; provided that notice of said indebtedness shall have been duly sent by certified mail to the last reported President and secretary of such association. The Board of Directors may restore such association to membership upon payment of its indebtedness.

**Section 2.** If the Board of Directors shall suspend or revoke the membership of any member association, a notice of such action shall be sent by certified mail to the last reported president and secretary of said association and the National Association.

**Section 3.** Any member association may resign from this Association, provided permission from the National Association has been obtained and all financial and other obligations of such association to this Association and the National Association shall have been fulfilled, and that if incorporated, the corporation shall have been duly dissolved; and upon resolution of resignation adopted and approved by a three-fourths (3/4) vote of the Active membership of such association, which resolution shall be certified by the association's secretary to this Association. Such resignation shall become effective when accepted by the Board of Directors, and by such action the association shall immediately surrender all right to the use of the name, emblem, insignia, plate, sign, label or phrase indicative of membership in this Association and the National Association. The Board of Directors may, upon written application of such association, reinstate the association to membership in this Association.

## **Article V - Officers**

**Section 1.** The officers of this Association shall be a President, an Immediate Past President, a President-Elect, Vice President, a Secretary/Treasurer, a State National Committeeperson, four Regional Vice Presidents, and an Association Executive ex officio. All officers except the Regional Vice Presidents, State National Committeeperson and the Association Executive shall be elected annually at the annual meeting. Any active member, as such term is defined in Article V of the NAIFA Bylaws, of an association which holds membership in this Association, shall be eligible to hold office in or be a director of this Association (except that the Association Executive need not be an active member).

**Section 2.** The President, President-Elect, Vice President, and Secretary/Treasurer shall be elected by ballot at the annual meeting of this Association, and (with the Immediate Past President) shall serve for one year, or until their successor shall be elected. The State National Committeeperson shall be elected for a three year term, or until their successor shall be elected. The Central and Eastern Regional Vice Presidents will be elected in even numbered years and the Western and Southern Regional Vice Presidents will be elected in odd numbered years.

**Section 3.** The terms of office for all officers except the State National Committeeperson shall begin on the first day of July. The State National Committeeperson shall enter upon official duties immediately upon the close of the Annual Convention of the National Association following election or appointment, or when a successor is determined, as set forth above. In the event of vacancy in any elective office, the Executive Board of Directors shall select a successor to serve for the unexpired term.

**Section 4.** The duties of the officers shall be as follows:

(a) The President shall be the executive officer of this Association, and shall preside over all meetings of this Association and of the Board of Directors. The President shall appoint and be an ex officio member of all Standing and Special Committees, as well as a member of the NAIFA National Council. The President shall perform such other duties as usually pertain to the office of President.

(b) The President-Elect, in the absence of the President, shall preside at all meetings and shall perform such other duties 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 for submission to the Board of Directors, no later than fifteen (15) days after his advancement to the office of President, committee appointments and recommended goals and objectives.

(c) The Immediate Past President shall perform such duties as may be assigned by the President or the Board of Directors and shall serve a term of one (1) year on the board of Charter Builder Trust and chair the Nominating Committee.

(d) The Vice President shall perform such duties as may be assigned by the President or the Board of Directors and shall serve as Membership Chair.

(e) The Secretary/Treasurer shall sign all official documents issued by this Association; affix the corporate seal of the organization when required; and perform such other duties as are requested by the President or the Board of Directors.

The Secretary/Treasurer shall receive the funds paid to this Association, deposit the same in the official depositories designated by the Executive Board of Directors, and disburse the same by order of the Executive Board of Directors. The accounts and books shall at all times be open to the inspection of the President, the Executive Board of Directors and any auditors named by the Executive Board of Directors. The Secretary/Treasurer shall make a report at the annual meeting of this Association, which shall be sent out to each member of the Board of Directors at least one (1) month in advance of the annual meeting, and at such other times as the President or the Executive Board of Directors may require, and shall give bond for the faithful discharge of duties in a sum and with such sureties as may be required by the Executive Board of Directors.

(g) The State National Committeeperson shall serve as the liaison officer between this Association and the National Association, shall be a member of the NAIFA National Council and shall report back to and take counsel with this Association with reference to matters arising



in and referred to said National Council, the NAIFA Board of Trustees, and the various Standing and Special Committees of NAIFA.

(h) The Regional Vice Presidents shall coordinate and promote the association in the regions for which he or she is elected.

(i) The Association Executive shall be appointed by the Executive Board of Directors, for such period, such compensation, and with such authority, duties, facilities and assistance as the Board of Directors may determine. The Association Executive shall be the chief administrative officer of this Association, and shall be responsible for the management of the Association offices, where all Association records shall be maintained. The Association Executive shall be responsible for the acquisition and discharge of such staff and resources as may be approved by the Board of Directors. The Association Executive shall have no vote as an ex officio member of the Board of Directors or Executive Committee.

## **Article VI - Full Board of Directors**

**Section 1.** There shall be a Board of Directors consisting of the Executive Board plus state committeeperson of member associations In the event that the state committeeperson is not able to represent the member association then the local president may represent the member association. In the event that neither the state committeeperson or president is not able to represent the member association the local president shall submit in writing to the state office the alternate representative to serve in the absence of the state committeeperson or local president. A minimum of 40% of the entire Board of Directors shall constitute a quorum. Directors may participate in a meeting electronically, and such participation shall constitute presence in person as such meeting.

**Section 2.** Board of Directors shall be elected annually and shall enter upon their official duties on the first day of July of the year and shall serve until their successor is duly elected and qualified.

**Section 3.** The Executive Board of Directors shall determine the policies, strategic plan, and activities of this Association, elect and discipline members, approve the budget, approve all expenditures and authorize all disbursements, take counsel with committees, and have full administrative authority and general management in matters of this Association. The Board may employ, or authorize the employment of, paid personnel and fix the terms and condition of such employment.

**Section 4.** The Board of Directors shall meet a minimum of twice annually, in person or by telephone conference, and at the call of the President.

**Section 5.** The Executive Board of Directors may, without meeting, transact business by mail, facsimile machine or email, by voting upon proposals mailed, faxed, or emailed to them by the Association Executive with the approval of the President. In the case of a mail, fax, or email proposal, if within ten (10) days after a proposal is sent, a majority of the Board of Directors shall send in writing to the Association Executive their vote in favor of any such proposal, said



proposal shall be determined to have been adopted. The Ballots recording such vote shall be available at the following meeting of the Board of Directors before being destroyed.

**Section 6.** The construction and interpretations 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 8 of this Article.

**Section 7.** The Board of Directors may create an Executive Committee composed of officers and may assign to it duties and powers to be exercised only when the Board of Directors is not in session. The President shall have the power to call a meeting of the Executive Committee. The Executive Committee shall maintain minutes of all actions 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 of Directors 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.

**Section 8.** All decisions of the Executive Board of Directors shall be final and binding upon this Association, except that upon notice of a minority of one less than 50% of the Board, filed with the Secretary/Treasurer within twenty-four (24) hours of any decision, the action may be stopped and the matter referred for final determination by the Delegate Council, at the next regular or special meeting. In such case, affected third parties shall be immediately advised of such action.

**Section 9.** Any elected officer or director may, after due and proper hearing before the Executive Board of Directors, be removed from office due to failure or unwillingness or inability to serve, malfeasance, or conduct unbecoming a member, or with cause for the betterment of this Association. In such a case, a vote of two-thirds (2/3) of the entire Executive Board of Directors shall be necessary to sustain the removal.

## **Article VII - Nominations and Elections**

**Section 1.** The election of Officers and Directors shall be held at the annual meeting of this Association. The State National Committeeperson, Regional Vice Presidents and Secretary/Treasurer shall be selected as provided in Article V, Section 2.

**Section 2.** At least three (3) months prior to the date of the annual meeting, the President shall appoint a Committee on Governance to consist of at least three (3) individual members of member associations, 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 shall be to seek, receive and prepare nominations for officer and director positions and to have general charge of the election and to perform the duties specified in Article XI, Sections 4 and 5 of these Bylaws.

**Section 3.** The Committee on Governance shall prepare a ballot containing the names of all nominees for officer and director positions, which will be sent to the secretaries of all member associations at least two (2) months prior to the annual meeting and be used during the election. In addition, nominations from the floor may be presented at the annual meeting, provided that written notice shall have been received by the Secretary/Treasurer of this Association at least thirty (30) days prior to the meeting.

**Section 4.** Voting shall be by secret ballot and shall not be cumulative. There shall be no voting by proxy.

**Section 5.** The nominee for each office, except that of Director, receiving a majority of all votes shall be declared elected. In the case of Director, the number of nominees in accordance with Article VI, Section 2, receiving the highest number of votes shall be declared elected. An additional ballot or ballots shall be taken if necessary to determine which of two or more candidates receiving an equal number of votes shall be elected.

**Section 6.** In the case of a vacancy in the office of President, the President-Elect shall succeed to the office. In the case of a vacancy in the office of the President-Elect, Vice President, Secretary/Treasurer, State National Committeeperson, or Regional Vice President, the vacancy shall be filled by the Executive Board as soon as possible after such vacancy has occurred.

### **Article VIII - Delegate Council**

**Section 1.** The Delegate Council shall consist of the Executive Board; Past Presidents of this Association who are current Active members of a member association and who are not actively employed in the home office of a life insurance company or principally engaged in some occupation other than life insurance. Each local association shall be entitled to five delegates at the annual meeting of this association. Four of these delegates shall be the following: newly elected officers of each local association including president, secretary/treasurer, national committeeman, and the state committeeman, provided however, that an alternate may be elected for each delegate. The fifth member of the delegation shall be appointed by local board of directors.

**Section 2.** In the event any member association President or State Committeeperson cannot be present, or in the event of their presence in another capacity, at a meeting of the Delegate Council, their member association may appoint an Active member to attend and vote in their stead with like powers.

**Section 3.** One regular meeting of the Delegate Council shall be known as the Annual Meeting.

**Section 4.** The Delegate Council shall confer and advise with the Executive Board of Directors on matters relating to this Association.

**Section 5.** One-quarter (1/4) of all eligible delegates shall constitute a quorum for the purpose of transacting all business, except as otherwise specified herein. An eligible delegate is one who is fully registered for the annual meeting.

**Section 6.** The powers of the Delegate Council are:

- (a) To elect Officers, Regional Vice Presidents and Directors of this Association.
- (b) To suggest and recommend policy for consideration by the Board of Directors.
- (c) To amend the Bylaws of this Association.

(d) To receive a report of actions of the Board of Directors taken subsequent to the last preceding meeting of the Delegate Council.

(e) To overrule actions of the Board of Directors submitted to it by referendum under the provisions of Article VI, Section 8. For the purpose of overruling the Board of Directors, a quorum of the Delegate Council shall consist of at least two-thirds (2/3) of all members registered with the Governance Committee, and a successful vote for this purpose shall consist of at least two-thirds (2/3) of the total votes cast.

(f) To approve any changes to the dues structure

**Section 7.** The time and place of the meeting of the Delegate Council shall be determined by the Board of Directors. A written notice of the time and place of each meeting of the Delegate Council shall be mailed to each member thereof not less than sixty (60) days prior to such meeting.

**Section 8.** The President shall preside at the meetings of the Delegate Council. In the absence of the President and the President-Elect, the Council shall elect a Chair.

**Section 9.** In voting, a member of the Delegate Council shall be entitled to only one (1) vote. If an individual is qualified as a member of the Delegate Council under more than one (1) capacity, the additional capacity may be represented by a qualified alternate.

## **Article IX – Committees**

**Section 1.** There shall be the following Standing Committees:

- (a) Professional Development
- (b) Membership
- (c) Government Relations
- (d) Health
- (e) Charter Builder Trust

Section 2. Each Standing Committee shall be appointed by the President and serve for the association year.

## **Article X - Duties of Standing Committees**

**Section 1.** The Committee on Professional Development shall promote professional development and provide educational programs and opportunities for member associations and individuals involved with insurance and related financial services. The Committee shall also assist the President in formulating the official program of the annual meeting of this Association, as may be appropriate.

**Section 2.** The Committee on Membership shall study and promote the establishment of new member associations in communities in this state that can permanently support such associations. The Committee will assign membership goals to each member association and shall assist member associations in achieving such goals.

**Section 3.** The Committee on Government Relations 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 the National Association. The Committee shall develop programs and activities to promote contributions to this State 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 the State Association 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.

**Section 4.** The Committee on Health shall provide services to members concerning health insurance in the areas of legislation, professional development, and educational programming.

**Section 5.** Committee for Charter Builder Trust shall consist of members to be elected at the annual meeting. One member shall be elected from each region of this association and two members shall serve an at-large term of one and two years respectively. The one-year at-large term shall be filled by the NAIFA-South Carolina Immediate Past President. Each regional member shall be elected for a term of three years. The Executive Board shall be empowered to elect to fill any vacancy that may exist between annual meetings. The committee for the Charter Builder Trust shall make decisions on the type of securities in which the funds shall be invested.

## **Article XI – Meetings**

**Section 1.** An annual meeting of this Association shall be held once each calendar year during the months of May or June and at such time and place as shall be determined by the Executive Board. The date, location and program of the annual meeting shall be published and sent to each member association at least sixty (60) days prior to such meeting.

**Section 2.** Special meetings of this Association shall be called by the President upon the request of the majority of the Delegate Council or upon the request of three-fourths (3/4) of the Executive Board. No business shall be transacted at a special meeting other than that specified in the notice of the meeting.

**Section 3.** All members in good standing of any member association in good standing shall be eligible to attend all meetings of this Association.

**Section 4.** The Committee on Governance shall be in charge of all matters relating to qualification of members of the Delegate Council and shall be governed by Article VII of these Bylaws.



**Section 5.** The Committee on Governance shall prepare all resolutions to be brought before the Delegate Council during the annual meeting of this Association.

## **Article XII - National Affiliation**

**Section 1.** In recognition of the values of national fellowship and cooperation available to this Association and its member associations through its privileges and rights of participation in the governance and activities of the National Association, it is hereby declared a major policy of this Association to exercise fully those privileges and rights granted to it, and to discharge promptly all lawful obligations imposed upon it, by the National Association. This Association shall conform to the accepted standards for member associations as set forth from time-to-time by the National Association.

**Section 2.** The Executive Board shall provide for the prompt review, approval and forwarding of all reports required or requested by the National Association.

**Section 3.** The Executive Board shall provide for the prompt payment of any indebtedness to the National Association.

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

## **Article XIII – Publications**

**Section 1.** The Executive Board may publish, or cause to be published, under its supervision and control, a periodical, which shall be the official publication of this Association.

**Section 2.** Each member association may make it a condition of membership that each of its active and associate members shall become a bona fide subscriber to said official publication and shall continue as such as long as membership is retained. The subscription price shall be such an amount and collected in such a manner as is prescribed by the Executive Board of Directors.

**Section 3.** The Executive Board may publish, or cause to be published, pamphlets, booklets or other materials consistent with the mission of this Association, and shall determine the prices at which they may be sold.

## **Article XIV – Revenue**

**Section 1.** Each member association shall pay to this Association for each of its Active and Associate members annual dues to be determined by the vote of the delegate council.



**Section 2.** Each member association shall pay to this Association for each of its student associate members annual dues to be determined by the vote of the delegate council.

**Section 3.** Each member association shall pay to this Association for each of its Active Members Emeritus annual dues to be determined by the vote of the delegate council.

**Section 4.** Member associations shall not be required to pay dues to this Association in connection with honorary members of member associations. Dues payable to this Association by member associations may be waived during disability, in connection with those individuals who have been members of a member association for at least ten (10) years, and whose total disability has been documented to the satisfaction of the Board of Directors of this Association. The Board of Directors of this Association may waive dues payable to this Association by member associations in connection with particular individual members, for specified time periods, as the Board deems appropriate under special circumstances.

**Section 5.** Each member association shall forward dues to this Association promptly upon its receipt of dues from its individual members and in no case later than ten (10) days following such receipt. The National Association shall process all individual membership renewals on behalf of member associations and shall remit to this Association that portion of renewal dues that is payable to this Association no later than fifteen (15) days following the National Association's receipt of such membership renewal dues.

**Section 6.** Local associations in arrears shall be notified of their indebtedness and action shall be initiated by the Executive Board of Directors in accordance with Article IV.

## **Article XV - Finance and Accounting**

**Section 1.** The fiscal year of this Association shall be from July 1 to June 30.

**Section 2.** The Executive Board shall install and maintain an efficient system of accounts.

**Section 3.** The Executive Board shall adopt a budget no later than July 15, making appropriations therein for the fiscal year. The budget shall specify the purpose and the amount of each appropriation, and include a statement of the estimated revenue for the fiscal period, and the sources thereof.

**Section 4.** All disbursements shall be made by voucher check, which shall show the payee, the items of service rendered or materials purchased, and the amount of payment.

**Section 5.** Disbursements shall not exceed the gross amount of the annual budget, except by formal action of two thirds (2/3) of the entire Executive Board.

**Section 6.** The Executive Board shall designate the depositories of all funds of this Association.

**Section 7.** The Executive Board shall have the power to authorize such officers and employees as in its judgment may seem advisable to execute the voucher checks.



**Section 8.** In case of the inability of persons designated to sign checks to perform their functions, the Executive Board shall designate those who shall act as substitutes.

**Section 9.** The Executive Board shall provide for a review or audit of the books of accounts of this Association by qualified accountants annually or at more frequent periods at its discretion.

**Section 10.** Upon dissolution of this Association all remaining assets shall be transferred to the National Association or another non-profit organization.

### **Article XVI - Rules of Order**

Robert's Rules of Order shall be the parliamentary authority for all matters of procedure not specifically covered by these Bylaws.

### **Article XVII - Approval of Bylaws and Amendments**

**Section 1.** Any amendments to these Bylaws, if in conformity with the policies of the National association, may be adopted by a two-thirds (2/3) vote of the Delegates present at any regular or special meeting, called for that purpose, of the Delegate Council of this Association; provided that written notice of the meeting and of the proposed amendments shall have been sent to the members of the Delegate Council at least sixty (60) days prior to the meeting; and provided that a quorum is present at the meeting.

**Section 2.** These Bylaws, and any bylaw amendments, shall be effective only when submitted to and approved by the National Association. True copies of these bylaws and all amendments shall also be provided by the Secretary/Treasurer of this Association to member associations. The foregoing is a true and complete copy of the Bylaws of this Association:

Witness: \_\_\_\_\_

[Association Secretary]

Amended: \_\_\_\_\_

Location: \_\_\_\_\_

Amended: June 23, 2012

Location: Charleston, South Carolina



## **CODE OF ETHICS**

Preamble: Those engaged in offering insurance and other related financial services occupy the unique position of liaison between the purchasers and the suppliers of insurance and closely related financial products. Inherent in this role is the combination of professional duty to the client and to the company as well. Ethical balance is required to avoid any conflict between these two obligations. Therefore, I Believe It To Be My Responsibility:

- To hold my profession in high esteem and strive to enhance its prestige.
- To fulfill the needs of my clients to the best of my ability.
- To maintain my clients' confidences.
- To render exemplary service to my clients and their beneficiaries.
- To adhere to professional standards of conduct in helping my clients to protect insurable obligations and attain their financial security objectives.
- To present accurately and honestly all facts essential to my clients' decisions.
- To perfect my skills and increase my knowledge through continuing education.
- To conduct my business in such a way that my example might help raise the professional standards of those in my profession.
- To keep informed with respect to applicable laws and regulations and to observe them in the practice of my profession.
- To cooperate with others whose services are constructively related to meeting the needs of my clients.