

**NYIA**

**Bylaws**

*effective May 30, 2003*



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## **ARTICLE I - NAME**

The name of this Corporation shall be the New York Insurance Association, Inc. hereinafter referred to as the Association.

## **ARTICLE II - ORGANIZATION**

The New York Insurance Association, Inc. is a corporation organized not for profit under the not-for-profit corporation laws of the State of New York.

## **ARTICLE III - OFFICES**

1. **PRINCIPAL OFFICE:** The principal office of the Association shall be located in the State of New York.
2. **BRANCH OFFICES:** Branch offices may be established and maintained when and where required. Such offices shall operate within such geographical limits, exercise such powers, and be subject to such conditions as may be prescribed by the Board of Directors.

## **ARTICLE IV - PURPOSES**

The purposes for which the Association is organized and the activities and objects to be provided by it are, without limitation, to wit:

1. In General, to promote the development, preservation, operation, maintenance and general welfare of the insurance industry in the State of New York for the benefit of the industry, the insurance-buying public, and as a source of economic development within the State of New York; and more specifically:
  - A. To establish an agency through which the facts and principles of insurance can be presented and explained to the insurance-buying public, the supervisory authorities and the law-making bodies;
  - B. To devise ways and means whereby the member companies may best serve the interest of the insurance-buying public and to assist the member companies in furnishing sound insurance protection to the public;
  - C. To provide and disseminate information pertaining to the maintenance of an orderly insurance marketplace;
  - D. To study both the direct and underlying causes of accidents; to recommend

means to eliminate or reduce such causes; and to undertake any reasonable measures along or in conjunction with other organizations, toward the education of the general public or any group or groups as to the burden of losses and the means of eliminating them;

- E. To engage in any research in aid of the objects of the Association.
2. To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its participants, directors or officers or other private persons, except to the extent permitted under Article 5 of the Not-For-Profit Corporation Law.

## **ARTICLE V - MEMBERSHIP**

1. **CLASSIFICATION:** There shall be four classes of membership in this Association:

A. **INSURER MEMBER:**

Insurer Members are members duly admitted to membership which are property and casualty insurance companies, societies or organizations licensed to engage in one or more lines of insurance business in the State of New York. An Insurer Member and all insurers controlled by or under common control with an Insurer Member shall be deemed in the aggregate to be one Insurer Member. The Board of Directors shall have the authority to determine what shall constitute “control”, “under common control” and “controlled by” as those terms are used in these Bylaws. Insurer Members shall be entitled to cast one vote, on all matters submitted to the members of the Association for voting purposes.

B. **REINSURER MEMBER:**

Reinsurer Members are: i) members duly admitted to membership which are insurers accredited in New York State in compliance with the Insurance Law of New York, to engage in the business of reinsurance, or: ii) an organization or person licensed as a Reinsurance Intermediary under Section 2106 of the Insurance Law of New York as a Reinsurance Intermediary. A Reinsurer Member shall be entitled to all services available from the Association, may attend all meetings, serve on committees as a non-voting member but shall not be entitled to vote on Association matters.

C. **INSURER ORGANIZATION MEMBER:**

Insurer Organization Members are members duly admitted to membership which are organizations created by New York statute whose membership includes two or more Insurer Members required to be members of such organization. Such members may attend all meetings, serve on committees as a non-voting member, shall be entitled to all services available from the Association but shall not be entitled to vote on Association matters.

D. **SUBSCRIBING MEMBER:**

Subscribing members are members duly admitted to membership including any person or organization having any interest in the welfare of the insurance industry, and not eligible for membership under paragraphs A, B or C, above. Subscribing Members may attend all meetings of the Association, shall be entitled to all services available from the Association, may serve on committees as a non-voting member but shall not be entitled to vote on any Association matters.

- 2. APPLICATION FOR MEMBERSHIP:** Any company, organization or person which meets the qualifications stated in this Article may apply to this Association for membership by presentation of a statement of its qualification and execution of the Acceptance of Bylaws by Members as set forth in Article XIV. The Board of Directors may establish a policy to address membership category requirements for applicants who are affiliated with one or more companies, organizations or persons eligible for membership in this Association. Any former member, or successor thereto, seeking to rejoin the Association shall pay all delinquent dues and assessments as a condition of rejoining the Association.

All applications for membership shall be approved as follows:

- A. The Membership Committee must approve the application for membership; and
- B. The Secretary shall send written notice to each Director that the application for membership has been received and approved by the Membership Committee; and
- C. Unless one or more Director(s) notify the Secretary within ten days after the mailing of the notice by the Secretary, that the Director(s) wish to have the application for membership considered at a regular or special meeting of the Board of Directors, the application for membership shall be deemed approved effective the eleventh day after mailing of notice by the Secretary; and

D. If one or more Director(s) notify the Secretary within ten days after the mailing of the notice by the Secretary that the Director(s) wish to have the application for membership considered at a regular or special meeting of the Board of Directors, the application for membership shall not be approved unless the Board of Directors approves the application for membership.

**3. RESIGNATION:** A member may resign from the Association subject to the following provisions:

A. The resignation must be in writing and filed with the Secretary of the Association.

B. The resignation shall become effective on the sixtieth day following the date the resignation is received by the Association.

C. The resigning company shall be obligated to the Association for all assessments for which it would have been liable as a member for the balance of the calendar year in which the resignation is effective. Such resigning member may be specifically relieved there from for good cause by vote of the Board of Directors of the Association.

D. Such resigning member shall have no right whatever to any of the assets of the Association.

**4. EXPULSION/SUSPENSION FROM MEMBERSHIP:** A member may be expelled or suspended for a period from the Association for cause, such as but not limited to a violation of any Bylaws of the Association or for conduct prejudicial to the best interests of the Association, or for non-payment of dues subject to the following provisions:

A. In the case of a proposed expulsion or suspension for any reason other than non-payment of dues, the member shall be notified by registered mail at least 30 days before Board action of charge laid against it and given opportunity to be heard by the Board of Directors. The Board of Directors may dismiss the charge or it may refer the matter with its recommendations to the Association for final action. At any such meeting of the Association, the member company against whom the charge has been filed shall have the right to appear and be heard. Expulsion or suspension shall be voted upon only at a meeting of the members of the Association. Expulsion or suspension shall become effective immediately upon affirmative vote of three-

fourths of all votes cast on a question of expulsion.

- B. In the case of a member who is in default in the payment of dues for a period of 60 days, the member may be expelled as follows: The Board shall approve a notice of expulsion which shall be forwarded to the delinquent member. If full payment of the delinquency is not made within 20 days of receipt of such notice the expulsion shall be effective on the 20<sup>th</sup> day following such receipt.
- C. The expelled or suspended member shall be obligated to the Association all assessments for which it would have been liable as a member for the balance of the calendar year in which the expulsion or suspension is effective.
- D. No action shall lie against the Association or any of its members by the expelled or suspended member on account of expulsion.
- E. An expelled or suspended member shall have no rights whatever to any of the assets of the Association.

## **ARTICLE VI - OFFICERS**

1. **ELECTED OFFICERS:** Chair of the Board of Directors: to be elected annually at the Annual Meeting of Members from among the membership of the Board of Directors.

**First Vice Chair:** to be elected annually at the Annual Meeting of Members from among the membership of the Board of Directors.

**Second Vice Chair:** to be elected annually at the Annual Meeting of Members from among the voting members of the Association.

**Treasurer:** to be elected annually at the Annual Meeting of Members from among the voting members of the Association. The Treasurer shall serve as an ex-officio voting member of the Board of Directors. The office of Secretary and Treasurer may be filled by the same person. An elected officer must at all times be employed by an Insurer Member. A vacancy in any elected office under this article may be filled by the Board of Directors until the next annual meeting of members.

Any or all of the elected officers may be removed for or without cause at any Annual or Special Meeting of Members by the affirmative vote of a majority of the votes cast at such meeting by the members entitled to vote in the election of such officer or officers. The officer shall be notified by registered mail at least 30 days before Board action of the

proposed removal and given an opportunity to be heard by the Board of Directors. The Board of Directors may dismiss the proposed removal action or refer the matter with its recommendation to the membership for final action. At any such Members Meeting, the officer shall have the right to appear and be heard. In such a removal proceeding of the Chair, the First Vice Chair shall preside. Should the removal proceeding involve both the Chair and First Vice Chair, then in that event, the Association shall elect from its membership a temporary Chair who shall preside over such proceedings.

2. **APPOINTED OFFICERS:** The President of the Association shall be appointed annually by the Board of Directors which shall have full power to fix the terms of employment and the compensation therefore. The Board of Directors may also appoint Vice Presidents annually and shall have full power to fix the terms of employment and the compensation therefore. The Secretary shall be appointed annually by the Board of Directors which may also appoint Assistant Secretaries as needed. Any appointed officer may be removed by the Board whenever in its judgment the best interest of the Association would be served thereby.
3. **POWERS AND DUTIES OF CHAIR AND VICE CHAIRS:** The Chair of the Board of Directors shall preside at all of its meetings and at all meetings of the Members. The Chair shall be an ex-officio voting member of all committees. The Chair shall appoint members of standing committees and shall have the power to fill vacancies on committees as well as to create such new committees which, in the Chair's opinion, are necessary for the proper conduct of the affairs of the Association. In the absence or inability of the Chair to serve, the First Vice Chair shall exercise the function of the Chair. The First and Second Vice Chair shall also have such other duties as may be designated by the Chair.
4. **POWERS AND DUTIES OF SECRETARY:** The Secretary shall keep a record of all meetings of the members and of the Board of Directors, and shall attend to the mailing, posting and publication of all notices of such meetings and of nominations of candidates for election. In the absence of any contrary direction, the Secretary shall conduct all correspondence on behalf of the Board of Directors. The Secretary shall have charge of the seal of the corporation, and of such books, records and other papers as the Board of Directors may direct.
5. **POWERS AND DUTIES OF TREASURER:** The Treasurer shall keep a record of all financial matters, and perform such other duties as may be assigned to him by the Board of Directors.
6. **POWERS AND DUTIES OF PRESIDENT:** The President shall be the chief executive officer

of the Association and shall direct and carry on the work of the Association, in accordance with the policies of the Board of Directors. The President shall be an ex-officio non-voting member of the Board of Directors.

7. The President shall sign all documents in the name of the corporation, when authorized to do so by the Board of Directors.

The President, together with such other officials as may be appointed by resolution of the Board of Directors for that purpose, shall have authority to sign checks. The President shall be ex-officio a non-voting member of all committees, and shall perform all other duties incidental to the office.

## **ARTICLE VII - MEETINGS**

### **1. ANNUAL MEETINGS:**

- A. The annual meeting of the Members of the Association shall be held during the month of November of each year at a place, date and time to be determined by the Board of Directors at least 30 days prior to such meeting.
- B. A meeting of the Board of Directors may be held immediately following the annual meeting of the members of the Association. No notice of such meeting shall be necessary to the directors in order legally to constitute the meeting provided a majority of the Board shall be present.

### **2. SPECIAL MEETINGS:**

- A. Special meetings of the Members of the Association shall be called by the President upon the direction of the Chair of the Board of Directors or upon the written demand to the Secretary of three or more voting members of the Association.
- B. Special meetings of the Board of Directors shall be called by the President, the Chair of the Board of Directors, or upon written demand to the Secretary of three or more members of such Board of Directors.

### **3. NOTICE OF MEETINGS:**

- A. At least ten days' notice in writing of all meetings of the Members of the Association except the Annual Meeting shall be given to each member thereof but the Board of Directors shall have power to direct a call for a special meeting upon such notice to all members as in its discretion, may be expedient.

- B. At least five days notice, in writing, of meetings of the Board of Directors, shall be given to each member thereof but such notice may be waived in writing, signed by all of the members of such Board of Directors.

**4. VOTING:**

- A. MEMBERS MEETINGS. All Insurer Members shall be entitled to cast votes at Meetings of the Members of the Association as provided in Article V. Except as otherwise provided in Article V and XIII, action shall be by a majority vote of the votes actually cast on a question.
- B. PROXIES. Votes may be cast in person or by proxy, but no proxy shall be voted on or after eleven months from its date, unless such proxy provides for longer period.
- C. ACTION WITHOUT A MEETING. Any action by vote may be taken without a meeting on written consent, setting forth the action so taken, signed by all members entitled to vote thereon.

**5. QUORUM:**

MEMBERS MEETINGS: The presence in person or by proxy of one-third of the Insurer Members of the Association shall constitute a quorum at a meeting of members for all purposes.

**ARTICLE VIII - Board of Directors**

- 1. **ELECTION:** At each annual meeting of the Association there shall be elected a Board of Directors, which shall consist of at least nine but no more than fifteen persons who are employed by Insurer Members which are eligible to vote as provided in Article V. The Board of Directors may, at its discretion, add or remove board seats and fix the terms, subject to the minimums and maximums noted above, and such seats may be filled at any meeting of members in accordance with the procedures outlined in this article. No decrease in the number of board seats shall shorten the term of any incumbent director. The standing committee on nominations shall propose to the membership at the annual meeting a slate of candidates to fill the elected offices provided in Article VI and candidates qualified to fill the terms of the Board of Directors in accordance with this Article. Other nominations for any elected office of the Association may come from the floor at the annual meeting of members. The members of the Board of Directors shall be elected originally for a term of one, two and three years as follows: four for a term of one year, four for a term of two years

and three for a term of three years, and each year thereafter the elections shall be for terms of three years. There shall be rotation of representation on the Board of Directors so that there shall be elected to such Board at each annual election at least one individual, who was not a member of such board during the preceding term. The immediate past Chair of the Board of the Association and the Treasurer shall be ex-officio members of the Board of Directors. The President shall be an ex-officio non-voting member of the Board of Directors. The President need not be employed by an Insurer Member.

**2. POWERS:** The Board of Directors shall:

- A. Annually appoint a President and shall have full power to fix the terms of employment and the compensation therefore. The Board of Directors may also appoint Vice Presidents annually and shall have full power to fix the terms of employment and the compensation therefore;
- B. Exercise general supervision and control over the affairs, property, activities and concerns of the Association;
- C. Fix the salaries or other compensation, if any, of the officers of the Association and may authorize the President to employ or contract for the full or part-time services of such special or clerical assistants or retain counsel as may be necessary;
- D. Levy assessments upon members of the Association from time to time in accordance with provision of Article XI;
- E. Have the power to remove any appointed officer of the Association;
- F. Do that which is not specifically enumerated or delegated herein and which may be reasonably necessary to effect the objects as set forth in these Articles.

**3. QUORUM:** A majority of the voting members of the Board of Directors shall constitute a quorum. Except as otherwise provided in these Articles of Association, action may be taken by the Board of Directors by a majority vote of all members of the Board present. A Director may designate in writing to the Secretary the name of one alternate person to represent the Director in his or her absence. The presence of the alternate person shall be deemed to be the presence of the Director. An alternate may not serve as an officer. Any one or more members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board or committee by means of a conference telephone or similar equipment which allows all persons participating in the meeting to hear each

other at the same time. Participation by such means shall constitute presence in person at such a meeting. Any action required or permitted to be taken by the Board of Directors or a committee thereof may be taken without a meeting if all voting members of the Board or committee consent in writing to the adoption of a resolution authorizing the action.

4. **VACANCY:** A vacancy on the Board of Directors may be filled for the remainder of the term by the remaining members of such Board.
5. **REMOVAL:** Any of the directors may be removed for or without cause at any Annual or Special Meeting of the Members or by the affirmative vote of a majority of the votes cast at such meeting by the members entitled to vote in the election of such director or directors. The director shall be notified by registered mail at least 30 days before Board action of the proposed removal and given an opportunity to be heard by the Board of Directors. The Board of Directors may dismiss the proposed removal action or refer the matter with recommendations to the membership for final action. At any such Members meeting, the director shall have the right to appear and be heard.

#### **ARTICLE IX - COMMITTEES**

1. **MEMBERSHIP BY COMPANY:** Membership on all committees shall be by company. Each member company shall designate in writing its individual representative and alternate.
2. **QUORUM:** A majority of the voting members of any committee except the Committee on Legislation and Regulation shall constitute a quorum. A quorum for the Committee on Legislation and Regulation shall be 15% of such committee.
3. **VOTES:** No company shall have more than one voting representative on any committee. Voting by proxy is not permitted. Committee action shall be taken by majority vote of those present. Committee members may participate in a meeting by means of a conference telephone or similar equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such meeting. Any action required or permitted to be taken by a committee may be taken without a meeting if all members of the committee consent in writing to the adoption of a resolution authorizing the action.
4. **TERM OF OFFICE:** Except as otherwise specifically provided, the term of office of committees appointed at the time of the annual meeting shall be for the period to the next annual meeting of the Association, and membership on such committees shall be for the same period.

Except as otherwise specifically provided, the term of office of all committees appointed during the year, shall be for the period from the date of the appointment to the first meeting of the Association, and membership on such committees shall be for the same period; provided however, that any committee member who is absent from two consecutive committee meetings shall forfeit the position thereon by virtue of such absences.

5. **STANDING COMMITTEES:** Standing Committees of the Association shall consist of a:
- a) Nominating committee composed of not less than three members;
  - b) Legislation and Regulation committee composed of all voting members of the Association.
  - c) Finance committee composed of not less than three members;
  - d) Education and Conference Planning Committee composed of not less than three members;
  - e) Public Relations Committee composed of not less than three members;
  - f) Membership Committee composed of not less than three members.

Other committees may be established by the Chair.

#### **ARTICLE X - INDEMNIFICATION OF DIRECTORS & OFFICERS**

To the extent permitted by the laws of the State of New York, the Association shall indemnify any person, and such person's successors in interest, made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person is or was a Director, Officer, or Employee of the Association, or serves or served any other organization in any capacity at the request of the Association, against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of such action or proceeding or in connection with an appeal therein.

Notwithstanding the foregoing however, no such person shall be indemnified against any liabilities or expenses incurred in connection with any action or proceeding if a judgment or other final adjudication adverse to the director, officer or employee establishes that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that such person personally gained in fact a financial profit or other advantage to which such person was not legally entitled.

## **ARTICLE XI - FEES, ASSESSMENTS AND EXPENSES**

1. **MEMBER ASSESSMENTS:** The expenses of the Association not covered by other sources of income shall be paid by assessments on the membership of the Association in a manner to be determined at least annually by the Board of Directors. No individual member shall be assessed in any fiscal year an amount in excess of 15% of the approved budgeted expenses of the Association for that fiscal year. In determining the annual assessment of members, the Board of Directors may set a different assessment calculation for each class of membership and may allow for differential dues within a membership class as specified in this article, provided that such differential within a membership class is uniformly applied to all members in the class similarly situated. For any membership class, the Board of Directors may, but is not required to:
  - a) set a minimum and maximum assessment and specify the assessment methodology;
  - b) permit a phase-in of dues for members joining the Association for the first time;
  - c) permit a phase-in of dues increases for existing members affected by changes in assessment methodology;
  - d) require that the assessment of Insurer Members be based upon the New York premium volume of all insurers in a group controlled by, or under common control with, the Insurer Member;
  - e) permit a different assessment calculation for Insurer Members which are not organized and existing under the Laws of New York State, provided that any such Insurer Member is not part of a group controlled by or under common control with, an insurer which is organized and existing under the Laws of New York State.
  
2. **YEAR:** The fiscal year shall be the calendar year.

## **ARTICLE XII - DISSOLUTION OR TERMINATION**

In the event of the dissolution of this Association or in the event it shall cease to carry out the objects and purposes herein set forth, all of the business, property and assets of the Association shall go and be distributed (or its successor in interest), under the Not-For-Profit Association Law of the State of New York to such not-for-profit corporation qualifying as organizations exempt under the provisions of Section 501(c) of the Internal Revenue Code of 1954, as amended, or any superseding statute thereof, as the Directors of this Association may select and designate. In no event shall any of said assets or property, in the event of

dissolution thereof, go or be distributed to members, either for the reimbursement of any sum subscribed, donated or contributed by such members, or for any other purpose.

Any such assets not so disposed of shall be disposed of by the New York State Supreme Court sitting in the County in which the principal office of the Association is located, exclusively for the purposes for which this Association is organized, or to such organizations as said Court shall determine which are organized and operated exclusively for such foregoing purposes.

**ARTICLE XIII - AMENDMENTS**

1. **POWER:** These Bylaws may be amended at a Meeting of the Members of the Association by an affirmative vote of three-fourths of the votes cast.
2. **NOTICE:** No amendment shall be acted upon unless ten days' written notice with a copy of the proposed amendment shall have been given to the Members.

**ARTICLE XIV - ACCEPTANCE OF BYLAWS BY MEMBERS**

Each member of the Association shall, through a duly authorized official subscribe and file with the Association a copy of these Bylaws. Each member so subscribing and filing shall be considered by such act to have declared its absolute and complete acceptance of and its purpose to comply fully with all of the provisions of these Bylaws and any duly adopted amendments thereto, and with regulations which may from time to time be promulgated there under; and each member by its action in so subscribing and filing waives all rights and demands of any nature, past, present, and future against the Association or any of its officers or members on account of any action by the Association, its officers, or committees, subject to such exclusion as are permitted by law.

Date: \_\_\_\_\_

for the \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_