

Surety Association of Houston Constitution & By-Laws

SURETY ASSOCIATION OF HOUSTON CONSTITUTION & BY-LAWS

ARTICLE I

Name

Section 1. The name of this Association shall be: Surety Association of Houston.

ARTICLE II

Purpose

Section 1. With the purpose of improving the service rendered to the community by the underwriters and marketers of corporate suretyship, the non-profit Association shall promote understanding among its members through the study and discussion of local surety problems and matters relating thereto; provide a central facility for correspondence with other organizations and with public bodies; disseminate useful and interesting information and perform such other functions as may be incidental to the foregoing. Rates, and collections of balances are not involved in the Association's activities.

ARTICLE III

Membership

Section 1. Members are defined as any individual vested with authority as a representative of a company transacting any class of fidelity, surety business and shall in his individual capacity be eligible to membership in the Association; provided that two or more members representing the same Company shall be entitled collectively to only one vote, and that the company so represented shall designate in writing the member entitled to cast such vote; and that a member representing more than one company shall have only one vote. Said representative eligible for membership shall be an employee of a company having branch, service, or district surety office facilities in Texas.

Section 2. The Surety Association of Houston will also accept:

- A. Duly licensed independent insurance agents as Members. Such Members will have all of the rights and the privileges of a member;
- B. *Associate Members*, defined as organizations which directly serve the members of Surety Association of Houston, such as Certified Public Accountants; Lenders/Bankers; Attorney Firms, and any other organization deemed to directly benefit the members of Surety Association of Houston upon majority vote of the Association. *Associate Members* shall have voting rights and privileges of a member; however, cannot serve on the Executive Board as Vice President or President.

Section 3. Members as defined in Article III, Sections 1 and 2, will be accepted for membership in the following manner:

- A. They will submit a written application to the President.
- B. *Membership Committee* reviews applications quarterly and recommends acceptance of new membership applicants to the Association
- C. Acceptance by majority vote of members.

Section 4. In order to regulate, in accordance with the By-Laws of this Association, the acceptance of and continuance of membership in this Association, a *Membership Committee* will consist of the Executive Board and immediate past President. Should the immediate past President opt not to participate, a prior Executive Board member may serve in his/her stead. *Membership Committee* will promote new membership and vote on recommendations, and this vote will be a majority allowing but one dissenting vote. The immediate past President will chair the *Membership Committee*.

However, should the former President opt out of participation, the next prior Executive Board member serving in his/her stead, will chair this committee. The current President will act in the absence of the Chair.

Section 5. Honorary Members. Any member of the Association who retires from affiliation with the fidelity, surety and forgery business may, upon recommendation of the Membership Committee and ratification by the Association, become an Honorary Member of this Association. Such Honorary Member shall not be required to pay entrance fees or annual dues, shall have no vote in any deliberation of the Association, nor be an officer or member of the Executive Board. He shall be entitled to attend all regular meeting of the Association. This type of membership shall be applicable only to those individual who would be eligible for active membership were it not for their retirement from affiliation with the fidelity surety and forgery business. These rights shall not be assignable.

Section 6. Any member may at any time withdraw from the Association by filing his resignation with an officer of the Association.

Section 7. The Association shall be the judge of the qualifications of its members, but no such member shall be expelled except for reasonable cause by majority vote of *Membership Committee*

Section 8. Upon termination of any member of the Association for any reason or cause whatsoever, such member shall have no rights whatsoever, to any of the assets of the Association and will not be entitled to any refund of annual dues or sponsorships.

ARTICLE IV Officers

Section 1. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, serving as the ***Executive Board***. The *Executive Board* shall have general control of the Association's affairs. Each October, the Officers shall be elected by a majority vote cast by ballot of the Association from the nominees mentioned in Article VI, Sections 1 and 2. Each officer shall serve for one year from the date of his election or until his successor is elected.

Section 2. Not more than one person connected with any one company, or its associated or affiliated companies shall serve as an officer at the same time.

Section 3. In the event of transfer, resignation, removal or death of an officer, each remaining officer shall automatically succeed to the next position for the unexpired term, and the *Executive Board* shall select not less than two candidates for Secretary to be voted on at the next regular meeting, or at a special meeting called by the President, provided ten days' notice of said meeting is given to all voting members; and the one receiving the greater number of votes cast at the said meeting shall be elected to the Secretary office.

ARTICLE V Duties of Officers

Section 1. The President shall preside at all meetings of the Association and of the *Executive Board*. He may call special meetings of the Association whenever special meetings seem necessary or advisable, and he shall call such meeting at any time upon the verbal request of three members.

Section 2. The Vice President shall perform the duties of the President when the latter is absent or incapacitated. Additionally, The Vice President will serve as auditor over treasury and financial affairs of the Association, which includes quarterly reconciliation of financial records and receipts provided by the Treasurer. The Vice President will report to the *Executive Board* all findings, and preside over any corrective action necessary to ensure the accuracy of all financial affairs of the Association.

Section 3. The Secretary shall keep the minutes of the meetings of the Association, shall be custodian of its records, and shall conduct the correspondence of the Association except in cases where the President may desire or may be requested by the Association to conduct it.

Section 4. The Treasurer shall collect, hold, disburse, and account for the funds of the Association in such manner as the Association may prescribe.

Section 5. The officers of the Association shall also perform such other duties as commonly pertain to their respective offices.

Section 6. Any officer who is unable to attend a meeting will be responsible for arranging for a member of the Association to represent him.

ARTICLE VI Nominations and Elections

Section 1. Annually, each September, there shall be a ***Nominating Committee*** formed for the purpose of nominating and recruiting candidates for the succeeding Officers/*Executive Board* Members in the next term. The Nominating Committee shall consist of the current President, the current Secretary, the immediate past President, and one additional officer from the prior term, who will be appointed by the immediate past President. The Nominating Committee's sole duty shall be to nominate at least two candidates for each office for the next term.

Section 2. The nominees for each office will require a second motion in favor of such candidate for office.

Section 3. The Nominating Committee shall immediately make a written report of the nominees to the *Executive Board* of the Association. The list of candidates so nominated by the Nominating Committee shall be known as the Regular Ticket Ballot. In October, the Secretary shall then send the Ballot to each voting member of the Association.

Section 4. Any three members may propose another ticket by nominating a candidate for each office and by notifying the Secretary of each action at least one week prior to the October elections. They shall similarly notify each member of the Association at least one week prior to the October elections. The ticket so proposed shall be known as the Members Ticket.

Section 5. Subject to all other provisions, any member of the Association may be an eligible Officer, except as provided in Article III Section 2(B).

ARTICLE VII Meetings

Section 1. Regular meetings of the Association shall be held throughout the year as determined by the *Executive Board*, with at least one meeting consisting of an educational component.

Section 2. Special meeting of the Association shall be held as hereinbefore provided.

Section 3. A majority of the voting members of the Association shall constitute a quorum at any of its meetings.

Section 4. Meetings of the *Executive Board* shall be held upon a call of its Chairman or of a majority of its members.

Section 5. A majority of the *Executive Board* shall constitute a quorum at any of its meetings.

Section 6. Unless otherwise provided by the Constitution or By-Laws any matter presented for a vote at any meeting of the Association, or any committee, shall be adopted only on majority vote of the voting members present at such meeting.

ARTICLE VIII By-Laws

Section 1. The Association may adopt, amend or rescind such By-Laws as it may deem advisable; provided, however, that no By-Laws shall conflict with this Constitution or with the laws of any state having jurisdiction over any of the activities of the Association, or of the United States.

ARTICLE IX Complaints

Section 1. Any member may make a complaint against any other member for an alleged violation of the Constitution or By-Laws of the Association. Such complaints shall be referred to the *Executive Board* for action.

ARTICLE X Expenses

Section 1. No expense that cannot be met by the entrance fees and dues shall be incurred by the Association except with the consent of two-thirds of the voting members. Additional funds may be collected by assessment of the members with the approval of a majority of the members present at any regularly or specially held meeting.

Section 2. Each voting member shall pay annual dues, in an amount established by *Executive Board* by unanimous vote and as published to all members on the Association's website, for each branch office of that Company that receives direct Association mailings (whether by regular US Postal service delivery or electronic transmission). All fees will be fully earned by the Association. The full fee will be charged for mid-term membership applications that are approved. Due billings will be sent out by January 15 of each year for that term. Any Member who has not paid their annual membership fee by March 1st of the new year will be dropped from the membership roster.

ARTICLE XI Changes

Section 1. This instrument may be changed only (a) at a regular or special meeting of the Association (b) by a two-thirds vote of all the members of the Association qualified to vote, (c) if notice of the proposed action, together with a copy of the desired change, shall have been filed with the Secretary at a preceding regular meeting, and shall have been transmitted by him to each member of the Association.

ARTICLE XII

Section 1. In the conduct of meetings of the Association, Roberts Rules of Order shall govern.