

INDEPENDENT INSURANCE AGENTS OF AUSTIN

CHARTER

I.

That the name of the Corporation is and shall be: **INDEPENDENT INSURANCE AGENTS OF AUSTIN.**

II.

The purposes for which the corporation is organized are as follows:

1. To support and maintain the principles of the American Agency system and by all reasonable means to promote the best interests of those local recording agents in Central Texas doing business through such system. The American Agency System is the production of insurance premiums and the servicing of insurance contracts by insurance agents who:
 - (a) with regard to the preponderance of their agency business, operate on a commission basis and on their own account as independent contractors, and who have ownership of their accounts and expirations by contract with their companies,
 - (b) maintain their own offices,
 - (c) are not restricted from placing insurance risks with more than one company.
2. To encourage and support those insurance principles, programs and regulations which are in the best public interest; to enlighten members as to the insurance laws of the state of Texas and to the rules and regulations for the writing of insurance as approved by the State Board of Insurance; and to support and encourage all activities to reduce loss of life and property on streets, highways, in homes and places of employment.
3. To support a program of continuing education for member agents to assist them in attaining and maintaining the highest professional competence.
4. To encourage high standards of ethical and professional conduct by local recording agents.
5. To promote a greater public understanding and knowledge of the Insurance Industry and its vital and necessary role in our society.
6. To assist and coordinate the activities of local recording agents throughout Texas who become affiliated with this Association.
7. To generally promote the best interests of its membership by all reasonable and honorable means and to engage in such other activities or purposes as shall be necessary, convenient or incidental to any of the foregoing purposes.

III.

The address of the registered office of the corporation 10101 Talleyran Drive, Austin, Travis County, Texas Postal Zip Code 78750. (P.O. Box 201298, Austin, Travis County, Texas Postal Zip Code 78720-1298) and the name of the registered agent at such address is Kim Kieschnick.

IV.

The period of its duration shall be perpetual.

V.

The number of directors shall be determined by the By-laws, but shall not consist of less than nine (9) members.

VI.

The corporation shall be without capitol stock and the membership shall consist of those selected under its By-laws, certificates of membership to be issued to each member. It is not organized for, and shall not be conducted for, profit.

BY-LAWS

ARTICLE I - MEMBERSHIP

Section 1.

The membership shall be composed of the following categories:

- (a) Regular Members, composed of insurance agents, which:
 1. are licensed in the State of Texas as local recording agents;
 2. are actively engaged in business as local recording agents for one or more property or casualty insurance companies;
 3. subscribe to the Articles of Incorporation of this Association and these By-laws;
 4. transact business in accordance with the principles of the American Agency System and as defined in the Charter of the Independent Insurance Agents of Austin;
 5. pay annual dues as prescribed in these By-laws;
- (b) Associate Members, which shall be composed of any person and/or firm who has a bona fide interest in or renders a service to the general insurance industry and shall further the interest of the Association and the American Agency System in a capacity other than an Insurance Agent/Agency and who is not eligible to join us as a regular member.

Section 2.

Members must meet requirements set by the Board of Directors and must follow this Association's membership policy which is directed toward attracting all qualified independent agencies as members.

Section 3.

Each regular member agency shall be entitled to one vote at membership meetings. No voting proxy or an attorney-in-fact shall be permitted by any members at any membership meeting, Board of Directors meeting, executive committee meeting, committee meeting or any other meeting of its members.

Section 4.

The membership of any member of this Association shall terminate upon the occurrence of any of the following:

- (a) Failure to pay dues in full.
- (b) Expulsion of the member for cause. No such termination of membership shall impair or discharge any financial obligations then owing to the Association by such member.

Section 5.

A member of this Association may be expelled by the Board of Directors, in accordance with procedure adopted by the Board, for any of the following causes:

- (a) if the member becomes ineligible for membership.
- (b) Violation of the By-laws of the Association.
- (c) Conviction of the member by a court of competent jurisdiction of any crime involving moral turpitude. Any decision of the Board of Directors ordering expulsion of a member shall be final.

ARTICLE II - DUES

Section 1.

Membership fees and dues shall be fixed by the Board of Directors.

Section 2.

Fiscal Year.

The fiscal year of the Association shall be from September 1st through August 31st.

Section 3.

New Members admitted after the commencement of any fiscal year shall pay dues prorated under rules adopted by the Board of Directors.

Section 4.

All membership fees shall be due and payable annually in advance on the first day of September in each year, unless other dates for payment are fixed by the Board of Directors.

ARTICLE III - MEMBERSHIP MEETINGS

Section 1.

Annual Meetings.

- (a) The annual meeting of the members of this Association shall be held on a date and at a place to be selected by the Board of Directors.
- (b) Notice of the place and time of the annual meeting shall be given to members not less than thirty (30) days prior to the date of such meeting by a means to be determined by the board of directors.
- (c) The order of business at the annual meeting of members shall be prescribed by the board of directors.

Section 2.

Special Meetings.

- (a) Special meetings may be called, stating the purpose for the meeting, by the President, or shall be called upon written request of the majority of the Board of Directors, or shall be called upon written request by at least twenty five percent (25%) of the members.
- (b) The President shall direct the Secretary/Treasurer to give at least ten (10) days written notice to all members.
- (c) No business shall be discussed or transacted at any such special meeting other than the items specified in the notice calling the meeting.

Section 3.

Those members who are present and represent at least twenty five percent (25%) of the total members at any annual or special meeting which has been duly called and for which proper notice has been given shall constitute a quorum.

ARTICLE IV - BOARD OF DIRECTORS

Section 1.

The Board of Directors shall be the policy making body of the Association. Within the framework of the purposes set forth in Section II of the Charter, the Board shall:

- (a) determine the general policies of the Association;
- (b) formulate and promulgate statements and resolutions relative thereto.

Section 2.

Membership

- (a) The board shall be composed of nine (9) members, nine (9) of whom shall be elected from the membership at large, as hereafter provided, the President, President-Elect and Vice President. The Immediate Past President shall serve as an ex-officio member of the Board.
- (b) Board members' terms begin at the Board of Directors meeting which shall be called for a date nearest the conclusion of the fiscal year during which they were elected and end when their successors' terms begin.
- (c) Three (3) of the members shall be chosen each year from among the members of the Association at its annual meeting to serve for a term of two (2) years and to replace those members whose terms expire.
- (d) A director shall only be eligible to serve for a total of two full terms.
- (e) Notwithstanding any other provision of this article, the Board of Directors may take official action on any urgent matter upon the affirmative vote of not less than two-thirds of its total members during a telephone call or by e-mail presided over by an Officer of this Association as provided by Article IV of these By-laws. A full and complete record of the proceedings of such telephone call or e-mail correspondence shall be kept and placed in the records of the Association the same as any other meeting of the Board of Directors.

Section 3.

Director Elections.

- (a) At least ninety (90) days prior to the annual meeting of the Association, the President, with the advice and consent of the Board of Directors, shall appoint a three-member committee to nominate three members to serve on the Board of Directors.
- (b) This committee shall include a Past President, who shall preside as Chairman of the Committee, and two members at large.
- (c) The committee shall report its nominations at the annual membership meeting.

Section 4.

The Board of Directors, meeting in connection with the annual membership meeting, each year shall elect one of its members to the office of President-Elect and one as Vice-President; shall elect a Secretary/Treasurer, which position may be filled by the Executive Director.

Section 5.

Meetings of the Board of Directors may be held at such times and places as may be fixed by the Board or as may be called by the President. Meetings of the Board shall be called by the President upon written request of five (5) members of the Board. Members shall be given at least ten (10) days written notice of meetings of the Board of Directors.

Section 6.

A majority of the Board of Directors shall constitute a quorum for the transaction of business. If a quorum is not present, the members present may recess the meeting to a later time, not more than ten (10) days later, without additional or further notice.

Section 7.

In case of a vacancy on the Board of Directors, a majority of the remainder of the members of said board shall elect a member of the Association to fill said vacancy until the next regular annual election of Directors, and the Director elected at that time shall hold office for the remainder of the un-expired term, if any.

Section 8.

Any Director or Officer may be removed from office, either with or without cause, at any time by vote of three-fourths of the remaining Directors and may be recalled at any time with or without cause by a vote of two-thirds of the members of the Association present at any special meeting called for that purpose or at the annual meeting.

ARTICLE V - OFFICERS**Section 1.**

The officers of the Association shall consist of a President, President-Elect, Vice President, and Secretary/Treasurer.

- (a) The Officers shall be elected as is provided in Article IV of these By-laws.
- (b) The Officers' terms begin at the Board of Directors meeting called for a date nearest the conclusion of the fiscal year during which they were elected and end when their successors' terms begin.

Section 2.

President.

The President shall preside at all meetings of the Association and of the Board of Directors and shall serve as chairman of the Executive Committee.

Section 3.

President-Elect.

The President-Elect will automatically become the President of the Association upon the end of the President's term. In the event of the absence or inability of the President to perform his or her duties, the President-Elect shall perform the duties of and have the same authority as the President. In the event of the death or incapacitation of the President-Elect, the Executive Committee shall nominate a replacement to the Board of Directors, and the Board shall elect a successor at the next regular meeting of the Board or at a called special meeting of the Board if necessary.

Section 4.

Vice President.

In the event of the absence of or inability of the President and the President-Elect to perform their duties, the Vice President shall perform the duties of and have the same authority as the President. In the event of death or incapacitation of the Vice President, the Board of Directors shall have the option to leave the position vacant for the remainder of the term or, elect a successor, in which case, a nomination shall be made to the Board by the Executive Committee.

Section 5.

Secretary/Treasurer.

The Secretary/Treasurer shall;

- (a) assist the Officers and Board of Directors as directed by them in conducting the business of the Association;
- (b) attend meetings of the Association and the Board of Directors and of the Executive Committee and keep a full and complete record of the proceedings of such meeting and of the meetings of other standing committees;
- (c) send written or printed notices to the membership for any regular or special meetings of the Association, and notice of special meetings shall set forth the purpose for which they are called;
- (d) keep the membership and records of the Association;
- (e) shall collect all dues and moneys due the Association and under the direction of the Board of Directors disburse the funds of the Association;
- (f) annually, or more often if required to do so, submit to the Board of Directors a detailed report of all receipts and disbursements;

- (g) cause the funds of the Association to be deposited in a financial institution approved by the Board of Directors, to the credit of the Association and same shall only be withdrawn by checks signed by him or her and other persons authorized by the Board of Directors;
- (h) have accounts examined annually by a Certified Public Accountant authorized by the Board of Directors and a report rendered to the Board;
- (i) give bond for the faithful discharge of his or her duties in a sum and with such sureties as required by the Board of Directors
- (j) perform such other duties usual to the office as may required by the Board of Directors.

ARTICLE VI - EXECUTIVE COMMITTEE

Section 1.

The Executive Committee shall be composed of the President, the President- Elect and the Vice President.

- (a) Meetings of the Executive Committee may be called by the President at any time and shall be called by the President at the request of any member of the Executive Committee.
- (b) Meetings of the Executive Committee may be conducted by means of telephone calls.
- (c) The Executive Committee shall be responsible for general supervision and management of the affairs of the Association.
- (d) Minutes of all meetings of the Executive Committee must be prepared and provided to the Board of Directors.
- (e) The Executive Committee shall act as a nominating committee for the positions of Vice President and President-Elect and shall present its nominations at a meeting of the Board of Directors held in connection with the annual membership meeting.

ARTICLE VII - COMMITTEES

Section 1.

The President shall appoint such standing committees as the Board of Directors may deem necessary to serve the best interest of the Association.

Section 2.

All standing committees shall consist of not less than three (3) members, one of whom shall be designated by the President as Chairman, and such committees shall serve under terms and provisions as may be adopted by the Board of Directors.

Section 3.

A Finance Committee shall be appointed by the President and shall be composed of the Vice President as Chairman and two other members appointed by the President who may or may not be a Board member. The committee will be responsible for developing the Budget and will be responsible to determine that all Association money will be invested and deposited properly.

Section 4.

The President shall appoint such other special committees as may from time to time by deemed as appropriate.

ARTICLE VIII - ADMINISTRATIVE STAFF

Section 1.

Executive Director.

The Board of Directors may employ an Executive Director, who may be elected to act as Secretary/Treasurer to manage the Association under supervision and direction of the Officers in keeping of the policies set by the Board of Directors. The duties shall be as follows:

- (a) to assist the Board of Directors and Officers in conducting the business of the Association;
- (b) to manage the headquarters, staff and facilities of the Association;
- (c) to perform such other duties and functions as may be assigned by the Board of Directors or Executive Committee.

ARTICLE IX - POLITICAL ACTION COMMITTEE

Section 1.

A Committee will be formed to assist the State Association's Political Action Committees in any manner that the Board determines proper and will act as liaison between the State and Local Associations.

ARTICLE X - REIMBURSEMENT OF EXPENSES

Officers and Directors of the Association, members of committees and such others performing special services for the Association shall be reimbursed for their actual expenses in connection with the business of the Association in such manner and to such extent as shall be determined by the Board of Directors.

ARTICLE XI - INDEMNIFICATION

Section 1.

The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrate, or investigative, including all appeals by reason of the fact that he/she is or was a director, officer, agent, or employee of the Association, or is or was serving at the request of the Association as a director, trustee, officer, venturer, proprietor, agent or employee of another corporation partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, against expenses (including attorneys' fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding to the fullest extent permitted by law.

Section 2.

The indemnification provided by this Article shall not be deemed exclusive to any other rights to which those seeking indemnification may be entitled as a matter of law or under the Articles, these By-laws, any agreement, vote of members, any insurance purchased by the Association, or otherwise, both as to action in an official capacity and as to the action in another capacity while holding such office, and shall continue as to a person who has ceased to be director, trustee, officer, agent, or employee and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 3.

The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, agent or employee of this Association, or is or was serving at the request of the Association as a director, trustee, officer, agent or employee of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability under the provisions of this Article or of the Texas Non-Profit Corporation Act.

ARTICLE XII - AMENDMENTS AND RULES OF ORDER

Section 1.

These By-laws may be amended at any regular meeting of the Association by a majority vote of the members present, or by the same vote at any special meeting of the Association which has been regularly called for that purpose. Notwithstanding any other provision of these By-laws, no amendments to the By-laws shall be considered or voted at any regular or special meeting, unless thirty (30) days' written or printed notice of the general nature of any such proposed change has been given to all members of the Association. Any member desiring to propose an amendment to these By-laws shall give written notice of such proposal to the President of the Association at the principal office of the Association in Austin, Texas not less than forty-five (45) days prior to a meeting of the Association, at which same may be eligible for consideration. Upon receipt of any such written notice from any member the President shall direct the Secretary/Treasurer to give appropriate notice to all members of the Association.

Section 2.

Parliamentary Procedure.

All meetings of the membership, the Board of Directors and committees shall be conducted and all questions or parliamentary procedure shall be settled according to Robert's Rules of Order (Revised), whenever such rules of order are not inconsistent with these By-laws or the statutes of the State of Texas.