



NEW ENGLAND CLAIM EXECUTIVES ' ASSOCIATION CONSTITUTION & BY LAWS

Article 1 NAME

This non-profit organization shall be known as *"New England Claim Executives' Association"*.

Article 2 OBJECT

The purpose of the Association shall be to serve as an educational forum and a medium for the discussion and study of property and casualty loss adjustment issues common to insurance companies, independent adjusters, salvors and related claim affiliated businesses.

Article 3 MEMBERSHIP

Section 1 – Membership shall consist of **Regular** membership, **Associate** membership and **Honorary** membership. The membership will consist of a minimum of fifty percent **Regular** members, at all times.

Membership Categories

Section 2 – **Regular** membership shall be limited to the loss personnel of insurance companies and other loss personnel of adjusting associations, bureaus or independents, who otherwise qualify for **Regular** membership as described in Section 3.

Section 3 – **Associate** membership shall be defined to include all other business partners whose services relative to claims handling are solely for the interest of insurance carriers and self insurers. **Associate** members have no voting rights within the association. **Associate** members elected to office will maintain all privileges of regular members while in office and will retain **Regular** status after completing three (3) consecutive years as an officer.

Section 4 – **Honorary** membership may be conferred only upon former **Regular** or **Associate** members of this Association, by a majority vote of the **Regular** members at any scheduled meeting, provided, however, that no **Honorary** member shall be eligible to retain this distinction or be privileged to attend the meetings of this Association if after their election, he/she becomes associated with the insurance business in any capacity conflicting with the qualifications set forth under Section 2 and 3 of this article of the Constitution. **Honorary** membership shall not carry with it the voting privilege or eligibility to hold office without a special vote by the **Regular** membership. **Honorary** members must have been an active member, in good standing, of the Association for a period of five consecutive years or longer prior to election and must attend at least one regular meeting a year to maintain status. **Honorary** membership shall not be subject to Annual Dues.

Section 5 – Any member who, in the course of time, changes employers and no longer meets the membership criteria set forth in Section 1, 2 and 3 of this Article of the Constitution, shall immediately surrender their membership and all of it's rights and privileges. Special

consideration can be requested by individual members who find themselves in a temporary non-eligible situation for a period of one year.

New Membership

Section 6 – Proposals for membership – **Regular** and **Associate** – shall be by written application with the endorsement of two (2) **Regular** members. These shall be submitted to the Executive Officers, and pending their approval, to the members at a regular meeting of this Association. A majority vote shall govern all elections to membership.

Regular Meeting

Section 7 – Regular meetings will be open to all members and their guests and shall be held in accordance with a meeting program approved by the Executive Officers. These meetings will be held on the second Tuesday of each designated month, or at other times as scheduled by the Executive Officers. **All guests** must be sponsored by a **Regular** or **Associate** member in order to attend any meeting of the Association. Only those persons who are members in good standing shall be notified of any meeting of the Association.

Annual Meeting

Section 8 – The Annual Meeting shall be held during the month of May at a time and place set by the President, subject to the approval of the Executive Officers.

Special Meetings

Section 9 – Special meetings may be called by the President, subject to the approval of the Executive Officers.

Article 4 EXECUTIVE OFFICERS

Section 1 – The Executive Officers shall consist of a President, a Treasurer and a Steward.

Executive Committee

Section 2 – At the discretion of the Executive Officers, an Executive Committee can be formed. The Executive Committee shall consist of five (5) members, the President, the Treasurer, the Steward and the immediate two Past-Presidents, who shall serve for two years.

Article 5 DUTIES AND RESPONSIBILITIES

President's Duties

Section 1 – It shall be the duty of the President to preside at all meetings of this Association; to exercise all executive and judicial functions of the Association in accordance with the Constitution and By-laws; to appoint such special committees as directed by the Executive Committee; to appoint members to fill such vacancies on special committees as may exist or as may occur from any cause whatsoever, only until the next regular election. This President shall be an ex-official member of all committees.

Treasurer's Duties

Section 2 – In the absence of the President, the Treasurer shall preside at all meetings and assume the duties, powers and prerogatives of the office of the President. If the office of the President becomes vacant, the Treasurer shall immediately become President.

Section 3 – The Treasurer shall be responsible for the recording of all financial transactions of the Association, shall direct the management and preservation of the Association's financial records and attend to the receipts and disbursements of funds of the Association as the activities may request. The Treasurer shall pay all bills against the Association when approved by the President and shall notify the executive committee on fees or other assessments payable or moneys in arrears, and submit quarterly written reports on all receipts and disbursements.

Section 4 – The Treasurer shall perform such duties as from time to time may be assigned to them by the President.

Steward's Duties

Section 5 – The Steward shall keep account of all dinner meetings and activities of the Association, register all attendees and carry the NECEA banner to all functions. The Steward is responsible for the Association's mail and correspondence and the preservation of the records.

Section 6 – The Steward shall maintain and make available to any member in good standing an updated membership list and copy of the Constitution and By-laws. Only those persons who maintain their status as a "member in good standing" will be notified of monthly meetings. This membership list will remain confidential and cannot be published and/or duplicated for any reason other than to provide it to a "member in good standing". It cannot be duplicated or distributed for any purposes other than Association business.

Article 6 ELECTIONS Nominating Committee

Section 1 – In February of each year, the President shall appoint the last three (3) available past Presidents of the Association, who are regular members, as a Nominating Committee and shall designate the Chairman of the Committee.

Voting

Section 2 – In May of each year, the President shall announce to the membership the incoming President who automatically moves into the position, and then opens the nominations from the general membership for the positions of Treasurer and Steward. All nominations are to be given to the Nominating Committee during the month between the March and April meetings. In April of each year the Nominating Committee will present the slate of officers to the general membership and the voting will be held. The new officers elected are then installed at the annual meeting in May.

Officers

Section 3 – The President, Treasurer and Steward shall be elected for a minimum term of one

year, or until their successor has been elected, but no officer shall hold the same office for more than two (2) consecutive years. A majority vote of **Regular** members shall govern all elections.

Article 7 INITIATION & DUES

The initiation for **Regular** and **Associate** membership shall be \$20.00; such fee will be payable at the time of application during the membership year. It is refundable if the applicant is not accepted for membership. Members annual dues shall be \$20.00 for a period from September 1st, through June 30th, not pro-rated. Guests must be sponsored by a member at all functions and guests are assessed an addition fee for attendance.

Article 8 AMENDMENTS

These Constitution and By-laws may be amended at any regular or special meeting of the Association by two-thirds (2/3) affirmative vote of the membership present, provided notice of any proposed amendment, with a copy thereof, has been mailed to the entire membership of the Association, not less than one month in advance of such meetings, together with a notice of the time and place of the meeting at which such proposed action is to be taken.

Article 9 ORDER OF BUSINESS

Section 1 – At the discretion of the Executive Officers, the order of business at a regular meeting will be:

1. Speaker
2. Reading of minutes
3. Elections of new members
4. Reports of Committees
5. Unfinished business
6. New Business

Section 2 – The regular order of business may be changed by a three-fourths (3/4) vote of the regular members present at the meeting.

Article 10 RULES OF ORDER

Section 1 – Robert's Rules of Order shall govern the deliberation of this Association in all cases where it does not conflict with a standing rule of the Association.

Section 2 – Any rule of order may be suspended temporarily by a vote of the Association.

Article 11 SPECIAL VOTING

When one-fifth (1/5) of the members present call for the ayes and nays on any question, the vote shall be taken, counted and recorded on the minutes.

Article 12
GENERAL RELEASE ANTI-TRUST AGREEMENT

All members shall release and exonerate each other and the Association, and the Association shall release and exonerate each member, from any tort liability arising out of the normal business of the association.

The New England Claim Executives' Association intends to prevent any violation of antitrust laws at all their meetings. Speakers and attendees at the meetings are reminded that their respective firms are competitors in the marketplace and that the McCarran-Ferguson Act, as well as the laws in some states, provide the insurance industry with only a very limited immunity from federal and state antitrust scrutiny. Therefore, speakers and attendees must exercise due care during all presentations and discussions, since even innocuous discussions of certain topics might later be misinterpreted as evidence of collusion.

As meetings and other educational, social and business developments occur, there should be no discussion or agreement either formal or informal, expressed or implied, as to any matters which may give rise to an allegation of violation of antitrust laws. Subjects of discussion that should be avoided:

- * Rates
- * Underwriting policy
- * Marketing strategies
- * Prices or costs of services or products
- * Individual insurance company positions on coverage issues
- * Agreements or understandings relating to claim practices, policies or positions
- * Standards by which the performance of any insurer could be judged
- * Advantages or disadvantages of doing business in certain areas
- * Refusal to deal with or boycott of potential insureds or suppliers of products or services
- * Use of particular suppliers of products or services
- * Costs or profits of any aspect of any of the above topics.

Article 13
CLAIMS CODE OF CONDUCT

N. E. C. E. A. recognizes the importance of the public's awareness of the industry standards of ethical conduct that are associated with the claims adjustment process.

1. ETHICS

Claims professionals maintain a standard of integrity that will promote the goal of bringing public confidence and trust to the insurance industry.

2. STANDARDS OF CONDUCT

Relationships

Claims professionals will maintain a courteous and sensitive and open attitude in all interaction with customers and claimants, seeking to understand their concerns during times of distress. Further, they will maintain business relationships with others who may have an interest in the claims adjusting process in a manner that will promote the goal of bringing

credit and honor to the profession.

Public Opinion

Claims professionals will work to improve public understanding of insurance products through educational efforts that will enhance knowledge of insurance.

Settlement Practices

Claims professionals will obey laws and regulations related to the handling of claims, including those provided in state Unfair Claims Practices Acts. They will strive to investigate, evaluate, and resolve all claims with a forthright and reasonable approach, attempting at all times to settle valid and covered claims equitably in a congenial manner. Claims professionals also will strive to maintain an empathetic understanding of the claimants' needs, with prompt and responsive communications. Further, they will inform policyholders of their right to appeal claim decisions and how to do so through company channels, mediation and state insurance departments.

Efficiency

Claims professionals will strive to control needless expenses. They will attempt to maintain a high quality of work product and monitor it continuously. They will resist fraudulent claims and support public and industry organizations involved in the detection and prevention of insurance fraud.

**Article 14
AMENDMENTS**

These By-laws may be amended on the same conditions as provided for "Amendments" to the Constitution

APPROVED AND AMENDED THIS _____ DAY OF _____, 2006 BY MAJORITY VOTE
OF ALL MEMBERSHIP.

PRESIDENT _____

TREASURER _____

STEWARD _____

IMMEDIATE PAST PRESIDENT _____

(Rev. April 2006)