

**Society of Chartered Property and Casualty Underwriters
Montana Chapter
Bylaws**

Section 1. The Montana CPCU Society Chapter is a not for profit organization, organized exclusively for educational purposes within the meaning of section 501 (c)(6) of the Internal Revenue Code.

Section 2. The CPCU Society is dedicated to meeting the needs of professionals who have earned the CPCU designation, so they may serve others in a competent and ethical manner.

Article I. Membership and Dues

Section 1. Membership.

Any person who is a member in good standing of the CPCU Society, may become a member of the Montana Chapter of the CPCU Society upon payment of chapter dues as established by the Montana Chapter's Board of Directors.

Section 2. Candidate Membership.

All CPCU Society candidates members may join the local chapter. Candidate members will pay half the regular chapter member dues. Candidate members may not serve as officers, but may serve on committees and task forces.

Section 3. Dues.

Chapter dues are payable yearly. Members more than three months in arrears after payment is due shall be suspended from membership.

Section 4. Termination of Membership.

In the event of an expulsion of a CPCU Society member by the Board of Governors, membership in the Montana Chapter shall also terminate.

Article II. Executive Committee and Task Forces

Section 1. Executive Committee.

The Chapter will operate with an executive committee of at least two members and not exceeding four members to coordinate the administration and activities of the chapter. Each member will have equal authority, with one member handling the financial duties. The Committee shall operate as officers and decide the make up of chapter leadership positions. The Officers of the Montana Chapter shall be the President, President-elect, Secretary and a Treasurer, each to serve a two year term or until his/her successor is elected an installed to office. The office of Secretary and Treasurer may be held by one person and may be held for more than one term, dependent on proper nomination and election. The Board of Directors shall decide whether the two offices are to be combined or different persons nominated and elected for each office.

Section 2. Directors.

The Board of Directors shall consist of the officers on the Executive Committee and:

- (1) Two additional elected directors.
- (2) Ex officio members as desired, including the immediate past president.

Section 3. Task Forces

The Chapter Executive Committee shall establish and appoint task forces as necessary to carry on the purpose of the CPCU Society and the chapter.

Section 4. Terms and Succession.

The President and President-elect shall not serve more than two full terms in succession in office.

Section 5. Chapter area.

If an Officer or Director shall cease to maintain a legal address within the geographical area of this Chapter, the President shall declare a vacancy to exist.

Article III. Nominations and Elections

Section 1. Nominating Committee.

A Nominating Committee, consisting of the immediate past president and two members appointed by the current board of directors shall present a nomination for each elective office at the chapter's annual business meeting, after which other nominations may be made from the floor. Election shall be by a majority of the members present and voting.

In the alternative, a ballot listing the nominated individuals and space for a write in nominee may be sent to the members by either regular or electronic mail with return address to the Secretary. After two weeks election shall be by a majority of voting members.

The election of Chapter Officers shall be completed prior to June 1 of each election year with the Officers to take office no later than July 1 of that year.

Section 2. Vacancy.

In the event of a resignation or incapacity of any officer or director the Board of Directors shall designate a qualified member of the chapter to fill the office until the next regular opportunity available to the membership for the election of a successor.

Section 3. Removal.

Officers and Directors may be removed for proper cause by a two-thirds affirmative vote of the Board of Directors. For any cause other than nonpayment of dues, a vote for removal shall occur only after the officer complained against has been advised of the complaint lodged and has been given reasonable opportunity for defense; and such officer, if removed, may appeal the decision of the Board of Directors to the Annual Business Meeting of the Montana Chapter provided that notice of intent of appeal is given to the president (or the president-elect if the complaint is against the president) at least thirty (30) days in advance of the meeting unless the decision of the Board of

Directors is made within thirty (30) days prior to the Annual Business Meeting, then notice shall be given within a reasonable period of time. Only those charges brought by a voting member in writing will be considered.

Article IV. Meetings of the Board of Directors

Section 1. Meetings.

The Board of Directors shall meet formally at least once a year to discharge its responsibilities as given in these Bylaws. It shall also meet at such other times and places as may be determined by action of the Board of Directors, by call of the Officers or by written request of two members of the Board of Directors. A written notice of the time and place of all formal meetings of the Board of Directors shall be mailed or sent by some acceptable electronic means to each member of the Board of Directors not less than five days prior to said meeting.

Section 2. Quorum.

A majority of the voting members of the Board of Directors shall constitute a quorum for the transaction of business at a formal meeting.

Section 3. Authority of Board.

Subject to the ultimate authority which vests in the membership of the Montana Chapter, the Board of Directors shall define the policies consistent with that of the CPCU Society and shall have full administrative direction of the chapter. The Board of Directors may appoint an executive secretary, or other administrative officer, to execute the business of the chapter. The Board of Directors may delegate such powers as it deems desirable to any officer or to the Executive Committee.

Article V. Duties of Officers

Section 1. President. The president shall preside at all meetings of the Montana Chapter and act as Chairman of the Board of Directors and of the Executive Committee. The president shall serve as chief executive officer, exercising general supervision over the work and activities of the chapter, and perform such other duties as usually pertain to the office of president. The president, acting as chairman of the Board of Directors, shall not vote as a director except in the event of an equal number of affirmative and negative votes for or against a proposal before the Board of Directors.

Section 2. President-Elect . In the absence or incapacity of the president, the president-elect shall perform the duties of, and have the same authority as, the president. The president-elect shall also perform such other duties as usually pertain to the office of president-elect.

Section 3. Secretary. The secretary shall act as secretary at all meetings of the Montana Chapter, the Board of Directors and the Executive Committee, and keep a permanent record of their proceedings. The secretary shall also perform such other duties as usually pertain to the office of secretary.

Section 4. Treasurer. Periodic financial statements shall be submitted to the Board of

Directors and members. Books and accounts of the treasurer shall at all times be open to the inspection of any member and of any authorized auditor. The treasurer shall also perform such other duties as usually pertain to the office of treasurer.

Section 5. Other Duties. All officers shall perform such other duties as may be assigned to them by the Board of Directors. The Board of Directors shall assign responsibility for oversight of task forces.

Article VI. Annual Business Meeting

Section 1. Scheduling. The annual business meeting of the Montana Chapter shall be held at a time and place to be determined by the Board of Directors, and due notice shall be sent either by regular or electronic mail, to each member of the Montana Chapter not less than ten days prior to the date of the meeting.

Section 2. Order of business. The order of the business meeting shall be as follows:

1. Call to order.
2. Reading of the minutes of the last annual meeting.
3. President's report including a summary of the business transacted by the Board of Directors since the last annual meeting.
4. Report of the Secretary and the Treasurer.
5. Ratification of the acts of the board of Directors
6. Reports from committees.
7. Old business.
8. New business.
9. Election of officers.
10. Adjournment.

This order of business may be changed or suspended by a majority vote of the members present at the annual business meeting.

Article VII. Fiscal Policies

Section 1. Fiscal.

The fiscal year shall coincide with the chapter officers' term unless designated by the Board of Directors.

Section 2. Dues.

The Board of Directors shall determine dues of the Montana Chapter and the amount shall be communicated to the CPCU Society office for billing purposes.

Section 3. Dues Billings.

The CPCU Society office in Malvern, PA individually invoices and collects both National Society and local chapter dues, remitting local dues periodically to the chapter treasurer.

Section 4. Waiver of Dues.

The Montana Chapter Board of Directors shall be vested with discretion and authority to waive for valid cause all or any portion of the chapter dues of any member.

[Note: One purpose of this provision is to allow chapters to waive chapter dues for retired persons who have chosen the lifetime retired membership status or to charge ½ the regular chapter dues for those retired members who pay annual Society dues at the retired membership rate.]

Section 5. Deposits.

Funds of this chapter shall be deposited in institutions designated by the Board of Directors.

Section 6. Budget.

The Board of Directors may, prior to the beginning of each fiscal year, prepare an annual budget for the approval of the membership.

Section 7. Authorized Signatures.

All disbursements shall be made by voucher check, showing the payee, the item of service rendered or materials purchased, and the amount of payment. All checks shall be signed by two members of the Board of Directors, one of which shall be the president or president-elect. In case of the absence or incapacity of the persons authorized to sign checks, the Board of Directors shall designate the substitutes. Officers authorized to sign checks shall give bond for the faithful discharge of their trust in such sums and with such sureties as the Board of Directors may require. [Note: The Society provides this.]

Section 8. Aggregate Disbursements.

Aggregate disbursements in any fiscal year shall not exceed the gross amount of the chapter's annual budget, unless authorized by the affirmative vote of a majority of the voting members of the Board of Directors.

Section 9. Investments.

The Board of Directors shall direct the investment of the assets of the chapter.

Article VIII. Amendments and Ratifications

Section 1. Chapter Constitution and Bylaws Changes.

The constitution and bylaws of the Montana Chapter may be amended in the following manner:

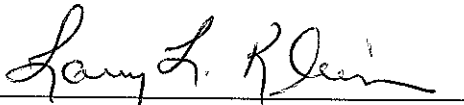
- (1) Any proposed amendment must first be approved by two-thirds of the voting membership of the Board of Directors or by a petition signed by at least one-third of the entire membership.
- (2) Upon such approval, or petition filed with the secretary for the chapter, a copy of the proposed amendment shall be sent to the membership by either regular or electronic mail.
- (3) Members shall express their desire to ratify or reject such proposed amendment by either regular or electronic mail to the Secretary, which must be within two weeks of the date on which the proposed amendment was sent to the membership.

- (4) At the end of the four-week period specified above, the proposed amendment shall be deemed ratified by the membership only in the event that at least two-thirds of the voting membership shall cast affirmative ballots.
- (5) When the Montana Chapter amends its constitution or bylaws as approved by the Board of Governors of the CPCU Society, the chapter shall file within 30 days a revised copy with the Secretary/Treasurer of the CPCU Society and no such amendments shall be effective until approved by the Board of Governors of the CPCU Society.
- (6) Dissolution of the chapter shall be under the supervision of the CPCU Society Board of Governors.

Section 2. Validity of Bylaws.

In the event a court of competent jurisdiction shall hold a portion of these bylaws to be invalid, the remainder of the bylaws not so held invalid shall be considered in full force and effect.

Charter and bylaws of the Montana Chapter are hereby approved by action of the Board of Governors of the CPCU Society this 27 day of April, 2006 at Phoenix, Arizona.



Larry L. Klein, CPCU
Secretary/Treasurer
CPCU Society