

The Surety Association of St. Louis

Association Bylaws

Revised October 2014

ARTICLE I—NAME

Section 1. The name of this Association shall be the Surety Association of St. Louis ("Association.")

ARTICLE II—PURPOSE

Section 1. The primary purpose of the Association shall be the constant improvement of the services rendered to the general public by its Members.

Section 2. The secondary purposes of the Association shall be to promote harmony among its Members as well as an understanding of local and national surety issues, disseminate useful information, maintain ethics and sound business principles in the conduct of Surety business and provide an open forum for advancement of each of the foregoing.

Section 3. The Surety Association of St. Louis will foster an environment that will facilitate the growth and development of small and disadvantaged businesses, including those owned by women and minorities, in our region. It is the intent of this Association that success of such businesses will make a valuable contribution to our community in terms of economic growth, favorable employment dynamics, and quality of life. The Association will encourage its members to employ all available resources to assist such businesses in their efforts to qualify for the surety credit as it relates to their business. The Association will also consider opportunities to further this objective in concert with other related organizations.

Section 4. Promote an awareness and understanding of the benefits of corporate suretyship, including but not limited to, educating the community about issues relating to corporate suretyship.

ARTICLE III—MEMBERSHIP

Section 1. Eligibility for membership in the Association shall be limited to persons representing insurance/surety companies or agencies ("Member Company") which transact classes of fidelity and/or surety business within the greater St. Louis Metropolitan Area and which shall foster the Independent Agency System, provided that two or more representatives of the same Member Company shall be entitled collectively to only one vote. Any representative of more than one Member Company shall have only one vote.

Related industry or trade professionals such as Bankers, Attorneys, Certified Public Accountants, Owners and Architects are encouraged to join the Association as "Affiliate Members." Affiliate Members shall not be eligible to serve as an Officer of the Association or hold voting rights, but all other rights of membership extend to "Affiliate Members."

Retired individuals, formerly representing a member firm of the Association, are encouraged to attend and participate in Association functions in their individual capacities, provided retired individuals shall have no voting rights and shall not be eligible to hold office.

Section 2. Applicants for membership must be recommended by at least three (3) Association Member Companies in writing (by fax, email or regular mail) to the Association's Secretary/Treasurer. Such letters of recommendation are then presented to the Executive Committee for verification of eligibility as outlined in Article III, Section 1. If applicant is eligible for membership, referral is made to the Association by written notice (by fax, email or regular mail) to each Member Company for approval or disapproval. Such approval or disapproval shall be indicated and said notice returned to the Secretary/Treasurer by fax, e-mail or regular mail from one individual representing the Member Company. Approval by at least two-thirds of all Member Companies casting votes is required for admission. The results of the voting shall be announced at the next regular meeting of the Association.

Section 3. Any Member Company of the Association may at any time withdraw from the Association by filing its resignation in writing by fax, e-mail or regular mail with the President at least thirty (30) days before such resignation is to become effective.

Section 4. The Association shall be the judge of the qualifications of its Member Companies, but no Member Company or representative of a Member Company shall be expelled except for reasonable cause as determined and ratified by the vote of two-thirds of all Member Companies qualified to vote as outlined in Section 1 of this Article and such ratification shall follow procedures as set forth in Section 2 of this Article.

Section 5. Upon termination or withdrawal of membership from the Association for any reason or cause whatsoever, the Member Company shall have no rights to any of the assets of the Association.

ARTICLE IV—OFFICERS

Section 1. The officers of the Association shall be a President, a Vice-President and a Secretary/Treasurer. The officers shall be elected by a majority of those casting votes by fax, e-mail or regular mail ballot following the November meeting of the Association each year. Each officer shall serve for one year from the date of the installation or until a successor is installed.

Section 2. Not more than one person connected with any one Member Company, or its associated or affiliated companies, shall serve as an officer at the same time, unless this results by merger or acquisition of two member or affiliate companies.

Section 3. Any vacancy occurring in an office of the Association shall be filled by election at the next meeting of the Association after such vacancy arises; provided however, that the Executive Committee of the Association will have provided a slate of candidates to the Member Companies at least three (3) days' notice of such proposed action.

ARTICLE V—DUTIES OF OFFICERS

Section 1. The President shall preside at all meetings of the Association and/or the Executive Committee. The President may call special meetings of the Association, upon at least three working days' notice, whenever necessary or advisable, or at any other time upon the written request of three or more Member Companies. It is recommended that the President be a member of the Public Relations (PR) Committee of the Association.

Section 2. The Vice-President shall perform the duties of the President when the latter is absent or incapacitated. It is recommended that the Vice President be a member of the By-laws Committee of the Association. It is further recommended that the Vice President be responsible for maintenance of the association website, and may work in conjunction with the Secretary/Treasurer to maintain current information on all members.

Section 3. The Secretary/Treasurer shall keep the minutes of the meetings of the Association, shall be the custodian of its records and shall conduct the correspondence of the Association except in such cases where the President may desire or may be requested by the Association to conduct such correspondence. The Secretary/Treasurer shall maintain an updated list of members and shall notify all members of upcoming Association events. The Secretary/Treasurer shall collect, hold, disburse and account for the funds of the Association in such a manner as the Association may provide, including, but not limited to invoicing and collecting for annual dues and all events for which there is a cost to the members . The Secretary/Treasurer shall perform the duties of the President when the President and Vice-President are absent or incapacitated. It is recommended that the Secretary/Treasurer be a member of the Events Committee of the Association.

Section 4. The Officers shall be required to prepare and submit an Annual Report at the Annual Meeting held in January of each year. The Annual Report shall contain the major activities that were required of each office and any recommendations that may be considered by the next candidate of the office. The Annual Report and the records of each office shall be turned over to the new officers at the Annual Meeting in good order.

ARTICLE VI—EXECUTIVE COMMITTEE

Section 1. It is recommended that the Executive Committee of the Association consist of the President, Vice-President, Secretary/Treasurer and two most immediate past Presidents remaining as members. The Executive Committee members not designated herein shall be elected by fax, e-mail or regular mail ballot following the November meeting and shall serve for one year or until their successors have been elected.

Section 2. The President and Secretary/Treasurer of the Association shall serve as Chairman and Recording Secretary, respectively, of the Executive Committee.

Section 3. Omitted.

Section 4. Omitted.

Section 5. A member of the Executive Committee shall not participate in any decision made in connection with any matter in which he, his Member Company or any other representative of his Member Company, is a party to a complaint under Article X hereof. The Executive Committee, in such case, may appoint a substitute for any member thus disqualified.

Section 6. A quorum, as defined in Section 5 of Article VIII, shall be required for a valid action of the Executive Committee and a majority vote of those present shall be required for approval of any action requiring a vote.

ARTICLE VII—NOMINATING COMMITTEE

Section 1. Annually at the regular September meeting of the Association there shall be appointed a Nominating Committee consisting of the three individuals whose duty it shall be to nominate a slate of candidates as Officers and Executive Committee members. The Nominating Committee shall submit its nominations in writing to the Association at the October meeting, and the Secretary/Treasurer shall, prior to the November meeting, send a copy of the proposed slate of candidates to each Member Company by fax, email or regular mail.

Section 2. Any five Member Companies may propose an opposing slate of candidates as Officers and Executive Committee members by notifying the Secretary/Treasurer in writing of such nominations at least one week prior to the November meeting. The opposing slate shall be incorporated into the fax, e-mail or regular mail ballot as sent by the Secretary/Treasurer.

ARTICLE VIII—MEETINGS

Section 1. Regular meetings of the Association shall generally be held on the third Tuesday of each month, with no regular meetings during the months of July, August and December.

Section 2. Meetings of the Executive Committee shall be held upon the request of its Chairman or a majority of its members.

Section 3. The regular meeting of the Association in the month of January of each year shall be deemed the Annual Meeting. The regular meeting in the month of May each year may be (and is typically) designated as a Cardinal Baseball Game. The regular meeting in the month of June each year is designated as the Annual Golf Tournament.

Section 4. A majority of the Member Companies of the Association shall constitute a quorum at any of its meetings.

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

Section 6. Unless otherwise specifically provided for in this Constitution, any matter presented for a vote at any meeting of the Association or of any committee shall be adopted by a majority vote of the Member Companies present.

ARTICLE IX—AMENDMENTS

Section 1. The Association may amend these By-Laws as it may deem advisable; provided however, that no Amendment shall conflict with the laws of the State of Missouri or of the United States of America.

Section 2 Ratification of changes to the By-Laws must be approved by two-thirds of the Member Companies. Proposed changes to the By-Laws will be submitted to the Members by written notice (by fax, email or regular mail) to each Member Company for approval or disapproval. Such approval or disapproval shall be indicated and said notice returned to the Secretary/Treasurer by fax, e-mail or regular mail from one individual representing the Member Company.

Section 3. Procedures for amending these By-Laws are as follows:

- A. Proposed Amendment shall be referred to the Executive Committee in writing for review as to its validity under these By-Laws.
- B. If deemed valid by the Executive Committee, the proposed Amendment shall be submitted to the Secretary/Treasurer, who will notify each Member Company that it will be discussed at the next regular meeting of the Association.
- C. Following such discussion at said meeting; a voting ballot containing the proposed Amendment(s) shall be faxed, e-mailed or regular mailed by the Secretary/Treasurer to each Member Company. Approval as outlined in Section 2, Article IX, is required for passage.

ARTICLE X—COMPLAINTS

Section 1. Any Member Company may make a complaint against any other Member Company or representative for any alleged violation of the By-Laws. Such complaint shall state specific facts and be referred to the Executive Committee for appropriate action.

Section 2. The annual dues shall be \$200 for each Member Company and shall be payable on the first day of July annually. The Secretary/Treasurer shall bill each Member Company for the annual dues no later than June 1st of each year. Any Member Company in default of the July 1st due date shall be provided with a written notice (by fax, e-mail or regular mail) from the Secretary/Treasurer of such arrears. Any Member Company not in compliance by August 1st of each year will be suspended from membership in the Association. Rights of participation and voting will be suspended until dues are brought current.

Section 3. The Secretary/Treasurer shall be allowed funds to cover whatever costs may be incurred in carrying out the duties of his office as outlined in this Constitution.

ARTICLE XII—ETHICS

Section 1. RATE FIXING—The Association and Members shall not fix or make the rates to be charged on Fidelity or Surety obligations.

Section 2. REBATES—No Member Company shall be paid or permit to be paid, directly or indirectly, any rebate on the premium charged for any Fidelity or Surety obligations.

Section 3. ANTI-TRUST—It is the practice of the Association to strictly avoid any discussion of individual company action or discussion from which the prospective intentions of any company may be inferred with regard to the pricing of insurance products, the design of insurance products or the marketing of insurance products or information relating thereto.

ARTICLE XIII—STANDING COMMITTEES

The following Standing Committees shall be put in place to carry on the duties of the Association and shall be responsible to the Association. Membership in each committee shall be open to both Member and Affiliated Companies unless otherwise stated.

By-laws Committee: The By-laws Committee shall meet at least annually to review the current by-laws and make any recommendations or amendments thereto. The Vice President shall endeavor to be an active member of the By-laws Committee. Other members of the By-laws Committee shall be on a volunteer basis, but shall consist of Member Companies only.

Public Relations (PR) Committee: The PR Committee shall meet at least annually to establish programs for the Outreach of the Association via Programs and Diversity of the Surety Products and Industry. The President shall endeavor to be an active member of the PR Committee. Other members of the PR Committee shall be on a volunteer basis. The PR Committee shall serve as a liaison to other organizations such as the AGC, NASBP, SAA, SIO and ASA.

Association Events Committee: The Association Events Committee shall meet at least annually to plan speakers and programs for the benefit and education of the Association. The Association Events Committee shall be responsible in the planning of the annual golf outing, any tours of local construction projects or other venues of Association interest, or any activities of the Association. The current Secretary/Treasurer shall be a member of the Association Events Committee.

Ethics Committee: The Ethics Committee shall meet at least annually, or at the request of any Member, to review the actions of the Association in relation to standard ethical practices. The Committee shall consist of three individuals from three different member organizations, and shall be on a volunteer basis.

Audit Committee: The Audit Committee shall meet annually in December to examine the books of the exiting Secretary/Treasurer. The Committee shall consist of three individuals from three different member or affiliate organizations, and shall contain at least one member from the prior year's Audit Committee. Members of the Audit Committee shall be on a volunteer basis.

A report of the Standing Committee activities shall be made to the Membership at least annually.