

Constitution & By-Laws Of The South Jersey Claims Association

General Statement about the history of the Association:

The South Jersey Claims Association was founded in 1955 and maintained an active existence until it was disbanded in the early 1970's. After a change in leadership and a restructuring of the fundamental goals of the Association, it was reactivated in 1980. Since that time, the Association has successfully served insurance professionals in the Delaware Valley.

Article I - NAME: The name of this Association shall be the South Jersey Claims Association.

Article II - PURPOSE:

Section 1. The fundamental goals of the Association:

To promote Fellowship among insurance professionals and to encourage goodwill between the companies represented at the Monthly meetings.

To promote & maintain Ethical Claims Practices by reinforcing the importance of Integrity and Good Faith practices in the insurance industry.

To promote Insurance Education by providing a forum for Featured Speakers who offer expertise in various matters of interest to the Membership. Additionally, the Association provides Legal Updates from industry attorneys at each meeting in order to inform our Members of any items that may have an effect on the insurance industry.

To promote the prevention of Insurance Fraud.

To support and promote a select group of local charities by organizing multiple fundraising events and by providing both monetary and other material gifts.

Section 2.

Members agree that everything discussed at the Association Meetings or Officer Meetings shall be held in strict confidence unless otherwise agreed. Further, the knowledge gained through the Association Membership shall not be used against the interest of any individual member or company. The Association shall not be used as a means of arbitration for any reason that would be detrimental to any individual or company.

Section 3. Definitions:

Board of Directors: The Governing body of the SJCA consisting of the President, Vice-President, Treasurer, Secretary and any active Honorary Officers.

Officer Board: The four elected officer positions responsible for the day to day operations of the organization. Consists of the President, Vice-President, Treasurer and Secretary.

Honorary Officers: These are past members of the Officer Board who are either active or inactive in the organization.

Committee Members: Members in good standing appointed by the Board of Directors to assist with many of the SJCA functions, including but not limited to Membership Drives and the Golf Outing.

Article III - MEMBERSHIP:

Section 1. Insurance Claims Professionals:

Any claim department head, supervisor, claims representative/examiner, defense counsel, or independent claims representative primarily engaged in the handling, investigating &/or settling of insurance claims on behalf of Insurance Companies, Self - Insureds, Public Utility Companies, and Government Agencies shall be eligible for membership.

Section 1-A.

Any person who qualifies as an "Insurance Claims Professional" and who is deemed an active member of the SJCA at the time of their official retirement from an insurance claims position will be deemed to qualify as an "Insurance Claims Professional" hence forward. Their status as an "Insurance Claims Professional" will continue as long as they do not enter into another profession that conflicts with the terms set forth in the SJCA Constitution & By-laws. They are also eligible to act as SJCA Officers and / or active Honorary Officers.

Section 2. Insurance Related Professionals:

Those individuals who service the Insurance Professionals {as described in Sect. 1} by way of expert knowledge & advice are eligible for membership. These individuals must be principally engaged in furthering the interests of the insurance industry & can exhibit that their services are retained by Insurance Claims Industry Professionals.

Section 3.

Any individual who was approved as a member in the past, but due to a change in profession no longer meets the criteria of membership eligibility as described in Sections 1 & 2, shall be excluded from renewal of his or her membership. Note: This individual will be allowed to participate in all applicable functions of the current year if he or she paid their membership dues prior to the change in profession. Though, this individual will have no voting power. Past Officers can continue with the distinction of being an Honorary Officer but cannot serve on the board of Directors.

Section 4.

Any individual seeking membership must have a recommendation for membership by an existing SJCA member. The candidate for membership shall submit the completed Membership Application Form with all required annual dues to either the SJCA Board of Directors * or SJCA Committee Members*. All completed application forms will then be reviewed by the Board of Directors & any designated Membership Committees for approval.

- SCJA Board of Directors - This consists of the current Officer Board {as described in Article VI} and active Honorary Officers {as described in Article VII}.

- SJCA Committee Members - {refer to the description in Article VIII}.

Section 5.

All members who have paid their annual membership dues are eligible to vote on any applicable issues that are brought forth by the officers at the Association Meetings. Any official vote {other than SJCA Officer elections} shall be tallied by the current Treasurer of the Association and shall be documented in the "meeting minutes" by the current Secretary.

Section 6.

Any member may be expelled from the S.J.C.A. for Just & Due Causes following a special

membership hearing in which 2/3 of the members present vote in favor of expulsion.

A. Specific charges shall be filed in writing by the complaining member or members with the Officer Board. The charges must specify the name of the accused member and the specific accusation against that member.

B. The Officer Board will conduct an investigation of the allegations in order to determine the validity of the charges. Once the preliminary review of the charges has been completed, the Officer Board will send written notification to the accused member of the pending charges.

C. The Officer Board will discuss the charges with the complaining member and the accused member. The Officer Board will also interview any identifiable witnesses. The accused member will be given ample opportunity to address and defend against any allegations.

D. Every effort shall be made to resolve the issues in question prior to the scheduling of a Special Membership Hearing by the Officer Board. Failure of the accused member to render a satisfactory explanation shall be construed as an admission of guilt to the charges and the Officer Board can then schedule a Special Membership Meeting. If a hearing is scheduled, the allegations and evidence will be presented to the attending members. A vote will then be held to determine if the accused member shall be expelled. A 2/3-majority vote in favor of expulsion is required before membership privileges will be revoked.

E. The Officer Board shall deem any such matters as confidential and shall destroy all related written complaints at the disposition of the case.

Article IV - DUES

Section 1.

Each application for membership shall include a \$20.00 payment, which will serve as the membership fee {dues} for the SJCA Schedule. If necessary, the Officer Board and Honorary Officers can amend the cost of membership dues by way of a unanimous vote at a Board of Directors meeting.

Section 2.

While the annual dues period shall run from September 1st through May 31st. {This is the period of time during the year in which the Association Meetings are usually held}, the SJCA membership is valid for the entire year {i.e. September 1st through August 31st }. This allows SJCA members to attend various "Special Events" that are scheduled outside of the normal meeting schedule months.

Section 3.

It is the duty of the Officer Board to keep records of all membership information. Announcements will be made at Association Meetings concerning membership dues.

Section 4.

While the SJCA does welcome the general public to attend the regular monthly meetings that are scheduled from September through May, only dues paying members can participate in the following activities:

- SJCA Elections
- Specially scheduled SJCA functions, including Holiday Parties, Summer Baseball Games, and Continuing Education Classes.

Dues paying members are entitled to a fixed "Meeting Fee", which is set by the SJCA Officer Board at the beginning of each SJCA fiscal year. This fixed fee is for the admittance to the regular monthly meetings that are scheduled from September through May. {See Article IX - Meetings}.
***All attendees who are not members of the SJCA will be assessed a \$10 service fee, in addition to the regular fixed Meeting Fee.

*** This fee will not be assessed to any "Special Guests" of the SJCA, such as featured Speakers.

In addition, the full payment of the annual membership fee is required in order for any person to be eligible to hold any SJCA position of importance. This includes Officer Board Positions, Honorary Officer Positions, Board of Director Positions, and Committee Member Positions.

Section 5.

The South Jersey Claims Association Membership List will not be distributed to any individuals, companies, members, associations or businesses. The Membership List is a confidential document for the sole use of the South Jersey Claims Association. Only the Officer Board will use the Membership List for the sole purposes of the Association.

Section 6.

Under special circumstances, the SJCA Board of Directors can prohibit individuals from attending and participating in meetings and functions. Only when a situation is deemed immediate and potentially disruptive to the event should the SJCA Board of Directors enforce Section 6. Any such action will be appropriately documented by the SJCA Secretary.

Article V - OFFICER BOARD

Section 1.

The South Jersey Claims Association Officer Board will consist of a President, Vice-President, Treasurer, and Secretary. Only eligible members of the Association will elect these officers at Bi-Annual Membership Meetings.

Section 2.

The election of the Officer Board shall take place every two years at the Associations' Bi-Annual "March" Membership Meeting. Officers shall be elected by a majority vote cast by those members present.

Section 3.

The Honorary Officers will conduct all officer elections. The nomination process will begin at the January meeting of the election year. Nominations will be accepted verbally at each meeting up to the close of the February meeting. A written ballot will be completed for all positions in which more than one person is running for office. The election results will be announced after the completion of voting at the March Election Meeting.

Section 3a.

The newly elected Officer Board shall officially take office on the First of June and shall continue in office for two years until his/ her successor is elected at the next Bi-Annual March Elections. In a good-faith effort to assist with the training of the newly elected officers, the acting officers will provide training to the newly elected officers during the months of April and May. This will allow for an efficient & productive transfer of duties when the newly elected officers take office on June 1st.

{Note: The acting Officer Board must conclude all financial obligations prior to May 31st. This date represents the conclusion of the 2-year officer term & the end of the SJCA fiscal year.}

Section 4.

Only Insurance Claims Professionals as described in Article III, Section 1 will be eligible for the office of President.

Section 5.

Insurance Related Professionals as described in Article III, Section 2, along with Insurance Claims Professionals, are eligible for the offices of Vice-President, Treasurer and Secretary.

Section 6.

Any elected President who changes profession during his or her term, and by doing so no longer meets the definition of Insurance Claims Professional, but rather, only meets the definition of Insurance Related Professional, may remain in office until the end of the current Officer Board term. That individual will not be eligible to run for the position of President at the subsequent elections, but will be eligible to run for the offices of Vice-President, Treasurer & Secretary if desired.

The exception to Section 6 pertains to any SJCA Officer who officially retires from an insurance claims position. If this individual pledges that he or she will not enter into any other profession that conflicts with the terms set forth in the SJCA Constitution & By-Laws, then that person may continue to serve as an SJCA Officer. If it is later determined that a conflict exists, then the involved individual must relinquish his or her officer position.

Section 7.

Any elected officer who changes profession during his or her term and by doing so no longer meets either of the definitions of Insurance Claims Professional or Insurance Related Professional, must give 60 day notice to the Officer Board and resign his or her position at the end of the 60 day period. A replacement officer will be appointed by the Board of Directors, and the newly appointed officer will remain in office until the following elections.

Section 8.

{Amendment to Section 7} When an active President of the Association resigns his or her office or is expelled from office, the current Vice-President of the Association shall take over the position of President. The Board of Directors will then appoint a new Vice-President who will remain in office until the following elections. If any other SJCA Officer {Vice-President, Treasurer, or Secretary} should resign or be expelled from office, the Board of Directors will then appoint a replacement for the open office position. When appropriate, the Board of Directors can review the most recent SJCA Election results as a means to identify possible candidates for the open officer position. Though, the Board of Directors is not required to select someone who ran for office in the most recent elections.

Section 9.

On or about June 1st, when the new Officer Board begins their term, the outgoing officers will transfer all applicable Association files, meeting records, membership data, financial records, insurance policies, meeting hall contracts, Golf Outing records & agreements to the new Officer Board.

Article VI - DUTIES OF THE OFFICER BOARD

Section 1. President:

The President is recognized as the presiding officer by the SJCA. All officers will report directly to the President. The President shall supervise all business activities and shall preside at all meetings involving the SJCA. He or She is responsible for coordinating efforts to secure Featured Speakers and Industry Attorneys to conduct the Legal Updates. The President will prepare the Monthly Newsletters that will be distributed to the members of the SJCA via Email. The President may call special meetings among the officers in order to conduct SJCA business. The President will represent the SJCA at meetings involving other insurance claims associations and may execute {in the name of the SJCA} any authorized contract, obligation or other financial instrument. All expenditures under \$1,000 must be pre-approved by the President or Vice-President in writing {or Email} to the Treasurer. Any amounts of \$1,000 or more must be approved by a majority vote by the Board of Directors.

Section 2. Vice-President:

The Vice-President shall assist the President in the execution of the activities of the SJCA. If the President is absent or incapacitated, then the Vice-President shall perform the duties of the President. The Vice-President will coordinate all efforts between the SJCA and its designated charities. The Vice-President will preside over any Charity Fundraising events at all SJCA meetings and will keep accurate records of these events.. Additionally, the Vice-President will coordinate all usage of any SJCA Email Address or Website on the Internet for the purpose of providing information to SJCA members and other interested parties. All officers must report directly to the Vice-President concerning any official SJCA Communications via the Internet. The Vice-President will research & identify candidates to act as a "Webmaster" to maintain the any SJCA website. {Final approval of a Webmaster is subject to a majority vote by the Board of Directors.} The Webmaster shall not change any access information for the SJCA website or Email Address (location, username, or passwords) without prior approval of the Vice-President. If such changes are required, the Webmaster shall provide details of the changes, including new user names and passwords in writing to the Vice-President within 3 days of the changes. The Vice-President will then advise the other officers of the changes.

Section 3. Treasurer:

The Treasurer shall be responsible for the collection & disbursement of monies received by the Association, including the collection of membership dues and meeting fees. The Treasurer will secure authorization from either the President or the Vice-President for any proposed disbursements of non-budgeted funds under \$1,000. Any non-budgeted disbursements over \$1,000 must be authorized by a majority vote by the Board of Directors. The Treasurer will be responsible for managing SJCA bank accounts and maintaining all financial records. The Treasurer will report all financial activities directly to the President and will submit monthly financial reports to the President that summarizes all income and cash flow statements for each month.

The Treasurer has primary responsibility for all Federal and State financial filings and reporting on behalf of the SJCA. Additionally, the Treasurer will be subject to audits if deemed necessary. A 3-person panel that is appointed by the President will complete any audit. The purpose of any audit is to ensure that all monies are accounted for and to determine if the usage of monies has been reasonable and in the best interests of the SJCA. It is the Treasurer's responsibility to renew the SJCA's Liability Insurance Policy and to issue all premium payments on a timely basis. {Note: The SJCA's Board of Directors is responsible for reviewing the insurance policy on a yearly basis in order to determine whether any changes are required. Any proposed changes require a majority vote by the Board of Directors.} Additionally, the Treasurer will have direct access to the SJCA POST OFFICE BOX address in order to more effectively handle the receipt of membership dues and meeting fees. Any mailings sent to the SJCA POST OFFICE BOX that are not directly related to

SJCA financial activities will be immediately sent to the SJCA President for handling.

Section 4. Secretary:

The Secretary shall be responsible for maintaining complete and accurate minutes of every SJCA meeting, including Board Meetings, Officer Meetings, and Monthly Meetings. These minutes will include an attendance record, all meeting expenditures, and an accurate record of the meeting agenda. A written report of all "meeting minutes" will be submitted to the President on a monthly basis. The Secretary will assist in the distribution of SJCA Newsletters and Advisories to the general membership if physical materials {i.e.: letters, packages} need to be sent by way of the US Mail. The Secretary will also work with the President to ensure that the locations of the monthly meetings are available and that the meeting facilities {Restaurants, Hotels, Banquet Halls, Country Clubs, etc.} are able to adequately accommodate the SJCA requirements. The Secretary will report all financial negotiations concerning any meeting facilities to the President for approval prior to making any commitments or reservations.

Article VII - HONORARY OFFICERS

Section 1.

In an effort to recognize the efforts of past officers of the SJCA, any individual who successfully completes one full 2-year term as an "elected" officer will be recognized as an Honorary Officer. The Honorary Officers who continue their membership & who are committed to actively participate in the support of the SJCA may be invited to serve on the Board of Directors* and permitted to attend various committee functions. These "Active Honorary Officers" who serve on the Board of Directors have the authority to call "special meetings" when conditions warrant the same.

The "Active Honorary Officers" who serve on the Board of Directors will oversee the SJCA and shall be relied upon as advisors to the Elected Officer Board to ensure the well being of the SJCA.

Additionally, the "Active Honorary Officers" who serve on the Board of Directors will oversee the Bi-Annual election process. This includes soliciting officer candidates, preparing the ballot, tallying the final votes, and announcing the winners at the Bi-Annual March Membership Meeting.

Further, any SJCA expenditures of \$1,000 or more must be pre-approved by the Board of Directors {which includes a majority vote of both the Officer Board & Active Honorary Officers} before the Treasurer disperses funds.

Article VIII - COMMITTEE MEMBERS

Section 1.

Any member of the Board of Directors can nominate Committee Members. Nominees must be approved by simple majority of the Board of Directors. A special private meeting can be called to consider nominations. The candidate(s) are not to be present during the voting process.

Section 2.

Committee Members are individuals who do not actively hold an office in the Association. Individuals who have demonstrated outstanding efforts to assist the Association in its various functions will be considered by the Board of Directors for the position of Committee Member.

Section 3.

The Board of Directors will consider the recommendations offered by other SJCA members in good standing for Committee Member candidates.

Section 4.

Newly selected Committee Members will be advised of their roles & duties upon selection. Each new member will be asked to promote the Association by encouraging greater attendance & membership, and by demonstrating a positive image while supporting the Association's goals.

Section 5.

Some of the Functions that Committee Members perform are: * assisting at the monthly meetings * assisting at the Golf Outing * assisting with the support of the designated charity

Article IX - MEETINGS

Section 1.

During the Association's yearly schedule, regular Association meetings begin in the month of September and proceed through the month of April. There is no scheduled meeting during the month of December, and the month of May is reserved for the Association's Annual Golf Outing. Each regular meeting is held on the Fourth Tuesday of the designated month. This allows for easy scheduling throughout the year.

Section 2.

Officer Board Meetings and Special Committee Meetings will be scheduled by the Officers Board at various times throughout the year.

Section 3.

Special Bi-Annual March Membership Meetings will be held every two years in the Month of March in order to conduct the elections of officers.

Section 4.

At no time will any meetings or gatherings be scheduled under the heading of the South Jersey Claims Association without the full consent of the Officer Board {President, Vice-President, Treasurer, Secretary, and any Honorary Officers}. Any proposals for "Special Meetings" to be scheduled during a full calendar year must first be submitted to the Officer Board. The Officer Board will then meet in order to review the merits of any proposed "Special Meeting". The entire Officer Board must consent to the proposed "Special Meeting" in order for the event to take place. The Secretary will document the agreement and all members of the Officer Board must sign the agreement. {Confirming Emails via the Internet will be acceptable for "consent" purposes as long as either the President or Secretary saves a hard copy}.

The Officers will also review the SJCA liability insurance policy in order to ensure that any proposed "Special Meeting" has adequate insurance coverage.

No gratuity payments shall exceed the industry standard "high range" of 20% of any bill pertaining to SJCA monthly meetings, Officer Board meetings, Special Committee meetings, or any other functions &/or purchases.

Article X - PROCEDURE OF MEETINGS

Section 1. Format:

Traditionally members have congregated at the designated meeting hall at 5:00 PM for a Social Hour. Each member is asked to register with our Treasurer & Secretary at the Registration Table. The meeting dues and membership fees are collected at that time.

At 6:00 PM the meeting is called to order by the active President. The President will discuss the evening agenda which includes; membership updates, current issues effecting the Association, various topics of discussion, unfinished business from prior meetings, and future scheduled events. After the President has concluded the introduction, the Treasurer will report on the financial status of the Association.

When the Association Officers have concluded their introductory discussions, dinner is generally served. This is a longstanding tradition for the S.J.C.A.

At the conclusion of dinner, a Legal Update is offered by one of the designated law firms from the South Jersey Area. The legal update generally is 15 minutes in length and the Speaker will provide "handout materials" to all attending members.

At approximately 7:00 PM, the President introduces the Featured Speaker of the month. The speakers are requested to limit their presentations to 30 minutes in length. The featured topics vary with each meeting.

Additional announcements are made by the President prior to the introduction of the Vice-President who discusses the status of the contributions to the designated Association Charity. If applicable, door prizes are announced.

The President then adjourns the meeting.

Section 2.

The Roberts Rules of Order shall govern the conduct of the Association meetings when not in conflict with its constitution and by-laws.

Article XI - GENERAL INFORMATION

Section 1.

In order to ensure that the By-Laws continuously meet the needs of the ever changing Insurance environment in the Delaware Valley, any newly elected Officer Board shall review the By-Laws in detail at the first Officer Board meeting after the elections. Any proposed changes to the By-Laws shall be addressed by the current Board of Directors. A simple majority vote is required for passage of any amendments to the by-laws.

Section 2.

Copies of the current Association By-Laws should be made available to any individual who meets the membership criteria as described in Article II - Membership and who has complied with all sections as described in Article III - Dues.

Section 3.

All clerical services provided by SJCA Members are to be performed on a voluntary basis. No SJCA Officer, Committee Member, or relative of the same will receive a monetary payment for clerical services that were provided for the benefit of the SJCA.

Section 4.

The SJCA does not own, rent, lease or borrow any physical location of its own. Even so, the SJCA does maintain a Post Office Box address in order to handle a large quantity of mail. On occasion, certain State and Federal governing bodies require the SJCA to list a "physical address" on certain

documents, registration forms, and applications. In order to accommodate these State and Federal requirements, the SJCA will provide the address of the current SJCA President whenever a "physical address" is needed. It is the responsibility of the SJCA Board of Directors to continuously ensure that this information is accurate and that the State and Federal governing bodies are notified of any changes.

Section 5.

Any person serving as an active SJCA Officer, Honorary Officer, Committee Member, or as an active member of the Board of Directors is hereby prohibited from serving in a similar capacity in any other Insurance Claims Association during the period they hold office in the SJCA. If there is any dispute as to whether or not a potential conflict exists, then the President of the SJCA will submit the dispute to SJCA legal counsel for review and an opinion. Then, the active Board of Directors will vote as to the eligibility of the person in question and whether or not that person can serve on the SJCA Officer Board, Honorary Officer Board, Board of Directors, or on a SJCA Committee. This restriction only pertains to Insurance Claims Associations that provide a similar service as the SJCA. However, this restriction does not apply to current SJCA Officers, Honorary Officers, Committee Members, or Active Board of Directors of the 2004-2006 term of office. If they so choose, individuals who hold such positions during this period may be nominated and seek their current office or other offices if they so choose.

Section 6. Bi-annual General Audit Process:

An evaluation of the SJCA Treasurer's financial records and the official Presidential records will be conducted at the closure of each Bi-annual officer term. A non-biased panel of 2 or 3 persons will be selected by the Board of Directors in order to review the records between May 1st and July 31st. A written report regarding the findings of the financial evaluation will be presented to the newly elected President and to the Board of Directors for review. The officers will review the final report and may consider the auditor's recommendations in an effort to ensure the best interests of the SJCA.

Article XII - DISSOLUTION

Section 1.

Upon the dissolution of the South Jersey Claims Association, any funds remaining after payment of all obligations shall be distributed in a pro rata manner to all current SJCA members who are in good standing.

Section 2.

In order to receive a pro rata share of any distributed funds, an individual seeking a pro rata share must have paid their annual membership dues prior to any announcement of dissolution of the South Jersey Claims Association. Additionally, an individual must be registered as a SJCA Member on the Officer Board's official SJCA Membership list during the year of dissolution.

Amendments:

Amendment Number 1:

Confidential Communications

It is hereby noted that certain communications between the "Officer Board", "Honorary Officers", "Committee Members", and active members of the "Board of Directors" may be privileged in nature. The SJCA President may ask these parties on certain occasions to restrain from disclosure due to the nature of the topics involved. If requested, these members must maintain the

confidentiality of the noted information. Any breach of trust may be considered a violation of the SJCA By-Laws and grounds for immediate dismissal as per the terms of Article III, Section 6.

The acting SJCA Board of Directors in the Spring Full Board Meeting of 2005, approved the above noted SJCA Constitution and By-laws. The attending members are listed below:

President {Frank Gattuso}
Vice-President {David Wirth}
Treasurer {Armand Bucci}
Secretary {Donna Bradshaw}
Board of Directors {Dick Coleman}
Board of Directors {Mark Ludwick}
Board of Directors {Dan Thompson}
Board of Directors {Barbara Johnson}