

PREAMBLE

Whereas, The primary objective of this Association is to encourage the development of a bilateral agents appointment agreement through meaningful communications and other lawful means; and

Whereas, The general objectives of the Association are;

1. To create meaningful communication between company and agents;
2. To improve professional status in the community;
3. To improve company-client relationship;
4. To improve agent to agent relationship;
5. To maintain and encourage the use of the professional code of ethics;
6. To stand united to accomplish these objectives;

Resolved, That we join together and subscribe to the following specific security objectives of the Association;

1. That we have a two way negotiated contract;
2. That for rendered services, contractual compensation schedules encompassing full commission of all premiums be given;
3. That agents receive ownership of all policies and expirations;
4. That termination be for just stated cause only;
5. That discrimination of agent or agent authority be ended;
6. That we foster cooperation, for mutual benefit, between other agent associations;

BYLAWS OF THE UNITED FARMERS AGENTS ASSOCIATION, INC. Revised July 1, 2009

ARTICLE I Members

Section 1. Membership in the Association shall be limited to the following classes:

- a. Regular Members: Farmers Insurance Agents with an in force Agent Appointment Agreement.
- b. Associate Member: Former agents of Farmers Insurance Group who no longer have an in force Agent Appointment Agreement and who are not employees, agents or representatives of an insurance company that offers one or more of the same lines of insurance as Farmers Insurance Group. Associate Members may be elected as delegates to the National Convention, hold Chapter office, and be elected to the Executive Board.
- c. Affiliate Member: Any person or organization not qualifying under subsections "a," "b" or "d" as an Affiliate member, if sponsored by a Regular or Associate Member. Affiliate members as a Member Emeritus may be elected as a Chapter Officer or as a delegate to the National Convention, but may not be elected or appointed to a National Office. All Other Affiliate members may attend Chapter and Convention functions,

- but may not be elected or serve as a delegate to the National Convention, or as a Chapter or National Officer.
- d. **Limited Member:** Any Farmers Insurance Agent with an in force Agent Appointment Agreement that does not request Regular Membership. All dues shall be paid annually by check, money order or credit card. The Treasurer shall mail annual renewal notices in advance and if sixty (60) days elapse after the renewal notice date the limited member shall be dropped from the membership rolls. Ten percent (10%) of the dues revenue from this membership class will be divided evenly by the number of chapters and returned to the local chapters from the National Treasury. Any Limited Member converted to a Regular Member will have the annual dues applied to the full dues and the remaining fifteen percent (15%) of those annual dues returned to the local chapter from the National Treasury.

Section 2. Dues, with the exception of “Limited Membership” shall be remitted to the National Office annually, semi-annually, by check, money order, credit card or by automatic bank draft in amounts as determined by the Assembly. Twenty-five percent (25%) of the dues, with the exception of “Limited Membership” will be returned to the local Chapters from the National Treasury. The Treasurer shall mail annual and semi-annual dues renewal notices in advance. If ninety (90) days elapse after the renewal date, the member shall be dropped from the membership rolls. Dues paid by automatic draft that become delinquent, and are not brought current in ninety (90) days, shall cause the member to be dropped from the membership rolls.

Section 3. The fiscal year of the Association shall be April 1 through March 31.

Section 4, a A member may be recognized by the Assembly majority as a Member Emeritus for exceptional and meritorious service. This honor bestows lifetime membership and waives all dues. A Member Emeritus may be elected as a Chapter Officer and as a Delegate to the National Convention but may not be elected or appointed to a National Office unless they qualify as a Regular or Associate Member.

Section 4, b. A Regular or Associate Member may be nominated for the honor of Member Emeritus by a Regular Member. The nomination is to be submitted in writing and should state the nominee’s meritorious service to UFAA. The nomination shall be signed by the originator and two other regular members and should be submitted to the National Office thirty, (30) days prior to the next convention. The National Board will place it on the agenda at the next convention. A 2/3 vote by the attending delegates will be required for approval of Member Emeritus status.

ARTICLE II

Officers

Section 1. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, a Membership Director, a Director of Media Relations, a Director of Legal Activities, a Director of Governmental Affairs, a Board Director at Large, and a

Historian. These officers shall perform the duties prescribed by the bylaws and the parliamentary authority adopted by this Association.

Section 2. The officers shall be elected by secret ballot, if there is more than one (1) candidate, to serve three (3) years or until their successors are elected. Their term of office shall begin at the close of the National Convention at which they are elected. If a candidate fails to receive a majority vote on the first ballot, on the second ballot the candidate receiving the highest number of votes is elected. Each position carries a three (3) year term. The positions are grouped and shall be elected on a rotation basis. The President, Legal Activities Director and Membership Director will be grouped and elected for a three (3) year term. The Secretary, Director at Large and Director of Media Relations will be grouped and elected for a three (3) year term. The Vice-President, Treasurer and Director of Governmental Affairs will be grouped and elected to a three (3) year term. The Historian shall be appointed by the President and confirmed by Board majority, and shall be advisory in nature, and shall hold no vote in Board decisions.

Section 3. The duties of the officers of UFAA are as follows:

PRESIDENT: The elected leader of UFAA, presiding over the Assembly.

VICE PRESIDENT: The elected second-ranking officer of UFAA, subordinate to only the President and may succeed him.

SECRETARY: The Secretary is responsible for recording, writing, and disseminating minutes and reports from the Assembly and Executive Board. The Secretary issues notices of elections and other events to the membership in a timely manner. The Secretary shall keep a complete record of proceedings and correspondence of the Board and Assembly, and shall send notice and minutes of meetings to each Delegate as may be required unless it is the minutes of the Executive Board meeting. The Secretary shall function in other clerical duties usual and customary to the office of Secretary.

TREASURER: The Treasurer is responsible for recording, writing and disseminating financial reports, as well as receiving, accounting for, and disbursing funds of the Association.

The Treasurer shall make payments only for bills properly approved by the President and all checks shall require the signature of the President and the Treasurer, or an alternate Board member chosen by the Board. The Treasurer shall prepare and submit to the Assembly an annual financial statement, based on an audit and statement prepared by a Certified Public Accountant. A two-year proposed budget shall be prepared by the Treasurer and submitted to the Assembly at the Convention for their approval. The Treasurer shall maintain a roll of membership.

MEMBERSHIP DIRECTOR: The Membership Director is in charge of increasing and maintaining membership in UFAA.

DIRECTOR OF MEDIA RELATIONS: The Director of Media Relations solicits articles, writes articles, works with the National Office, coordinates publication schedule and assists in securing advertisers for the association's magazine, "The Voice". This position also assists local Chapters in producing newsletters, soliciting and pricing advertising gives ideas for articles and serves as a resource and information center for all Chapters that publish newsletters. This position may collect minutes from Chapter meetings, forwards information and ideas for meetings to other Chapters, assists in and maintains ideas on continuing education for Chapters. This position works closely with the National Historian to track appropriate information.

DIRECTOR OF LEGAL ACTIVITIES:

The Director of Legal Activities will 1) Advise the Executive Board on planned, past or current legal matters that may effect the Association or it's members. 2) Chair a Legal Committee, if one is constituted by the Assembly, President or majority of the Executive Board, to review requests for financial assistance from Members. 3) Exchange relevant information with Association members or their attorney(s) on legal matters and, upon the majority vote of the Executive Board, to non-members attorneys. 4) Obtain and review legal pleadings of all types and in all cases that may be important to Association Members. The Director of Legal Activities, if licensed to practice law, shall not solicit for representation, represent or charge any current or former Association member or their immediate family members while serving in this position.

DIRECTOR OF GOVERNMENTAL AFFAIRS: The Director of Governmental Affairs officer serves as a clearinghouse for legislative issues and as liaison with associations of interest to UFAA.

BOARD DIRECTOR AT LARGE: The duties of the Board Director at Large are as directed by the President.

HISTORIAN: This position, filled by an appointment from the President and confirmed by the Executive Board majority, is charged as Association archivist, seeking, reading, sorting, and indexing information useful to UFAA. The Historian should regularly provide articles for "The Voice".

Section 4. The National Headquarters of the Association shall be determined by the newly elected Executive Board.

Section 5. No member of the Association shall hold more than one office at a time, but may succeed themselves in any office indefinitely.

ARTICLE III
Meetings

Section 1. The National Convention shall be held at least once in the calendar year for the purpose of electing officers, receiving reports of officers and committees, and for any other business that may arise.

Section 2. The government of the Association shall be vested in an Assembly, composed of one (1) Delegate vote per ten (10) Chapter members and the elected National Officers, as of ninety (90) days prior to the National Convention.

Section 3. Special meetings may be called by the President, the Assembly majority, or the Executive Board majority. Two (2) weeks' notice of any special meeting shall be given in writing to the Delegates of the Assembly. In the event that a Delegate cannot attend a special meeting of the Assembly, voting may be done by mail, provided that it is submitted five (5) days before the meeting. The purpose of the meeting shall be stated in the call.

Section 4. All meetings of the Assembly or the Executive Board shall require a majority presence to constitute a quorum.

Section 5. The Association shall provide facilities to have a Chapter President's meeting once a year, at least three months prior to the National Convention. The Association shall bear the responsibilities for procuring and paying for the room in which the meeting will be held. The Chapter President's meeting shall be conducted under Robert's Rules of Order Newly Revised and officiated by a Chapter President. At the first Chapter President's meeting of the year, an election shall be held to elect the next Chapter President who will officiate the meetings the following year.

ARTICLE IV The Executive Board

Section 1. The elected officers of the Association shall constitute the Executive Board.

Section 2. The Executive Board shall have general supervision of the affairs of the Association between National Conventions, fix the hour and place of the National Convention, make recommendations to the Association, and shall perform other duties as are specified in these bylaws. The Board shall be subject to the orders of the Association, and none of its acts shall conflict with action taken by the Association.

Section 3. Meetings of the Executive Board shall be held at the request of the President, or the majority of the Executive Board, at a time and place of their choosing.

Section 4. All contracts and formal documents must be approved by the Board and be signed by two (2) elected officers of the Board. No Board officer may commit to or contract for products or services without approval of the Board or Assembly.

Section 5. : The Manager of the National Office is in charge of the National Office of UFAA and acts under the immediate direction of the Executive Board. The Manager is Ex-officio secretary of the Executive Board and is responsible for seeing that the Board's instructions are carried out. The Manager is expected to recommend plans of work in

conducting the day-to-day business of the Association. With the Board's approval the Manager will hire and fire other staff members. The Board shall have the authority to change the title and duties of the Manager's position.

ARTICLE V Committees

Section 1. The Director of Media Relations shall chair a standing committee comprised of the Executive Board members, and the Historian, for the purpose of deciding Voice content and direction. The Director of Media Relations may appoint any other member to the committee, but such appointments do not carry voting rights.

Section 2. At the National Convention, a Nominating Committee of at least five (5) Delegates shall be elected by the Assembly. It shall be the duty of this committee to encourage members to run for office, process applications and present those applicants to the Assembly. The Nominating committee shall report to the Delegates to the National Convention, in writing, one (1) month before the National Convention. At the National Convention additional nominations from the floor shall be permitted.

Section 3. Standing or Special Committees, shall be appointed by the Assembly, President or a majority of the Executive Board from time to time as deemed necessary to carry on the work of the Association. The President shall be ex-officio a member of all committees except the Nominating Committee. The President may appoint replacement members to fill vacancies on any committee, subject to Board approval.

Section 4. At the National Convention, a Bylaw Committee of at least three (3) members, one of whom is the Secretary of the Association; the other two (2) shall be appointed by the President and approved by the Assembly to serve until the next convention. It shall be the duty of this committee to review submitted amendments for correct wording, intent and possible conflicts with other existing bylaws. The committee will contact the originator for clarification and/or proposed changes to comply with other bylaws or wording of said amendment. The committee shall not be empowered to deny an amendment. The committee may, at their option, render an opinion on the amendment.

ARTICLE VI Chapters

Section 1. A Chapter will be certified after submitting the names of ten (10) members and petitioning the Association for a Chapter Charter and the petition is approved by a majority vote of the Executive Board. The decision of the Executive Board must be given within ninety (90) days of receipt of the petition, and if denied, reasons for the denial. A Chapter shall be decertified if membership becomes less than ten (10) members, or the Chapter has not notified the National Secretary of the prescribed Chapter Officers and Delegates. A Chapter shall have thirty (30) days after the end of the calendar year for such notification. Upon decertification all Chapter Treasury funds shall be returned to the National Treasury. If the Chapter is reformed within ninety (90) days, the

funds will be returned to the Chapter. Decertification is the removal of a designated local Chapter assignment and automatically assigns any member in good standing (defined as a member whose dues are current) to the confidential Chapter 99, unless otherwise requested by the member.

Section 2. Each Chapter will elect officers during the last quarter of the calendar year. The officers shall consist of a President, Vice President, Secretary, and Treasurer. There shall be thirty (30) days written notice given prior to election, and election results published thereafter. Officers shall take office effective one (1) January next, and serve for a term decided by the Chapter bylaws, or until their successors are elected.

Section 3. Chapters will meet to elect their Delegates to the Assembly during the last quarter of the calendar year. Delegates shall take office beginning one (1) January next, and shall serve for a one (1) year term, and may succeed themselves indefinitely. At least one Delegate must attend the National Convention to maintain the Chapter's certification and it is the Delegates duty upon returning to their Chapter to give a report of the National Convention.

Section 4. : Each certified Chapter will be required to give a written audit of the rebated funds to the National Treasurer each February 1st. Failure to provide the audit on or before March 31st will cause that Chapter to forfeit future rebates until the audit is received. In the event of the forfeiture of the Chapter rebates, all Chapter Members will be notified by the National Office mail. An audit form will be sent to each Chapter Treasurer by the National Treasurer.

ARTICLE VII Removal From Office

Section 1. A Chapter Officer or Delegate shall be removed from office by a two-thirds (2/3) vote of "No Confidence" by the Chapter. A replacement must be selected by the Chapter within thirty (30) days.

Section 2. A Board Officer may be removed from office by a two-thirds (2/3) vote of "No Confidence" by the Assembly. This vote may be conducted by mail or email if delegates representing at least forty percent (40%) of the Chapters support the motion and have given written notice of such support to the President or the Executive Board. The vote by mail or email shall be handled by a person or persons designated by the Executive Board majority. Appointed officers may be dismissed by the President. The President, subject to the confirmation of the Board majority will appoint replacements for offices left open, until the election at the next convention, and unless it is the Vice President succeeding the former President.

ARTICLE VIII Parliamentary Authority

The rules contained in the current edition of Robert's' Rules of Order Newly Revised shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Association may adopt.

ARTICLE IX

Amendments to the Bylaws

These bylaws may be amended at any National Convention by a two-thirds (2/3) vote, provided that the amendment has been submitted in writing as follows: The amendment must be clearly stated, must show the Article and Section being amended, must contain a written "Reason for Change" and must be signed by the originator and at least two (2) other members in good standing. The Bylaws Committee must receive amendments to the Bylaws, including all of the above items, ninety (90) days prior to the National Convention. The proposed changes will be sent to the delegates, at least thirty (30) days in advance of the National Convention. By a majority vote of the Delegates at a National Convention, the thirty (30) day notice requirement for that year's Convention may be reduced to twenty (20) days, if there is any question that the thirty (30) day notice requirement was not met.

ARTICLE X

Indemnification

The Association shall indemnify its directors, officers, agents, employees and servants for any cost, expense or liabilities incurred as a result of the performance of their duties as provided in the State Of California Revised Statues, and any amendments thereto. This indemnification shall also extend to those persons who have ceased to be directors, officers, agents' employees or servants of the Association.

ARTICLE XI

Dissolution

In case of dissolution of this Association all assets remaining after payment of authorized expenditures shall be distributed to an organization which qualifies for tax exemption as provided under the Internal Revenue laws of the United States of America, no part to be distributed to any private individual or member.