

THE CONSTITUTION AND BY LAWS OF
MID-ATLANTIC ASSOCIATION OF PUBLIC INSURANCE ADJUSTERS

M.A.P.I.A.

PREAMBLE

We, the Mid-Atlantic Association of Public Insurance Adjusters, in order to establish and maintain the highest professional standards, insure harmonious working relations with one another, promote general welfare, protect our rights and provide means for solving and dealing with *our* common problems, make these By Laws and Constitution of our Association.

ARTICLE I
NAME

Section 1. The name of the Association shall be the Mid-Atlantic Association of Public Insurance Adjusters, hereinafter called the Association.

ARTICLE II

Section 1. The Association shall be a non-profit organization.

ARTICLE III

Section 1. The objects of the Association are:

- A.) To unite the public insurance adjusters in the area of Greater Philadelphia for their mutual benefit and protection and for the benefit and protection of the general public.
- B.) To advance and protect the interests of its members, to promote their welfare, and to attain a spirit of helpful assistance and cooperation among its members.
- C.) To establish and maintain high standards of professional conduct and efficiency among its members, and to study and assist in carrying out the provisions of all laws and regulations pertaining to the public insurance adjusters that have been enacted by the insurance department and/or legislative bodies of the Commonwealth of Pennsylvania.

ARTICLE IV
SEAL

Section 1. The seal of the Association shall be

ARTICLE V

Section 1. The term public insurance adjuster shall mean any person, firm or corporation who or which represents an insured in negotiating the settlement of claim or claims under an insurance policy or policies for loss or damage caused by, or resulting from fire and its allied lines, or who advertises for or solicits employment as an adjuster of such claims on behalf of any such public insurance adjuster.

ARTICLE VI
MEMBERSHIP

Section 1. Individuals, firms, partnerships, and corporations who or which act as public insurance adjusters as previously defined in Article V on a full time and professional basis and who are qualified and entitled to act in such capacity under the laws of the Commonwealth of Pennsylvania, who are duly bonded and licensed in accordance with the laws of the Commonwealth of Pennsylvania, and who fulfill all of the other requirements of the Association, shall be eligible for membership provided that such individual, firms, partnerships, and corporations shall have been engaged for at least one (1) full year prior to admission to membership. Any applicant for membership who has been employed by or associated with a member firm shall, when such employment terminates, become eligible for membership when he or she has independently so engaged for at least one (1) year after such employment terminated. The Executive Committee, in addition to the powers conferred on said Committee by Article XI, Section I, is authorized to formulate and adopt rules and regulations concerning requirements for and admission to membership, subject to the preceding requirements aforesaid.

Section 2. There shall be two types of Association memberships, the members of which shall be designated as Regular Members or Associate Members respectively. The individual firms, partnerships and/or corporations constituting the individual public insurance adjusting firms shall be the Regular Members. All public adjusters, solicitors, owners, partners or officers of Regular Member firms shall be eligible to be enrolled as Associate Members.

Section 3. Each regular Member shall be entitled to one vote in any meeting, election or balloting of the Association.

Section 4. Prospective applicants for membership must be sponsored by an existing

Regular or Associate Member. Each application for Regular or Associate Membership shall be in writing on the appropriate form supplied by the Association and filed with the Executive Director of the Association. Such application shall set forth such information and data concerning the applicant as may be deemed necessary and proper, and shall also contain the applicant's agreement to observe this Constitution and these By Laws of the Association and the Code of Ethics adopted by the Association and/or as amended, from time to time. Each applicant shall be referred to the Standing Membership Committee in accordance with the provisions of Article XI, Section 2, hereof.

The Membership Committee shall, as promptly as possible, investigate and notify in writing all Regular Members of the Association as to all applications made for Membership. Each Regular Member shall be entitled, within the first thirty (30) days following such written notice, to object, in writing, directed to the Chairperson of the Membership Committee, as to any applicant for Membership. If no objections are so made to any application within the time specified, a majority vote of the Membership Committee may then admit such applicant to Regular Membership. If, however, an objection or objections are made, as aforesaid, to any applicant, then the application of such applicant shall be promptly referred by the Membership Committee to the Board of Directors of the Association for its consideration and action and a seventy-five percent (75%) vote of such Board of Directors shall be necessary to elect any such applicant to Regular Membership, and where any such objection is made to any applicant, in no events shall the Membership Committee be empowered to admit or reject such applicant to Regular Membership.

Section 5. Each Regular Member shall be entitled to receive a Certificate of Membership and to imprint the authorized insignia of the Association on his/her business stationery. Membership Certificates shall be signed by the President and Secretary then in office.

Section 6. Resignation of Membership shall be submitted to the Secretary in writing accompanied by the Membership Certificate and insignia of the resigning Member, who shall surrender all rights to future use of such insignia. Such resignation must be accompanied by payment of all dues and indebtedness then due unto the Association by such Member. All applications for resignation of Membership shall be referred by the Secretary to the Board of Directors of the Association for its consideration and action.

Section 7. Any Regular Member, or Associate Member whose Membership terminates may thereafter apply for re-admission, in the same manner as a new applicant, as herein before provided in Article VI. An applicant for re-admission shall be required to pay all dues and/or other sums owed to the Association by such applicant at the time Membership of such applicant terminated in order to be eligible to be considered for re-admission.

ARTICLE VII

Section 1. The officers of the Association shall consist of a President, a Vice President, a Secretary, a Treasurer, and a Chairperson of the Board of Directors. All officers shall be Members of the Board of Directors. The offices may only be filled by Partners of a Firm, Corporation or Partnership, and individual firm owners.

Section 2. A person who has served one (1) term of office as President shall be ineligible to succeed himself/herself as President for the term immediately following such term of office.

Section 3. Officers shall be elected by the Regular Members at each biennial meeting of the Association for a term of two years beginning or immediately following each biennial meeting. Other than the Chairperson of the Board of Directors, no Regular Member may hold two (2) offices.

Section 4. When vacancies occur as to said offices, said position shall be filled by the following procedure:

- A.) The Nominating Committee shall meet and submit three (3) names to the Chairperson of the Board of Directors who will submit the names nominated to the Executive Committee. A majority of seven (7) out of twelve (12) Officers and Directors must agree to fill the vacant office for the unexpired term.

Section 5. Officers shall serve without compensation as such, except that they may be entitled to receive such reasonable annual amount to be determined by the Board of Directors as will be necessary to reimburse them for traveling, secretarial, and other expenses incurred in the performance of their duties.

Section 6. The officers elected at the formation of the Association shall hold office until the next Biennial Meeting of the Association, or until their successors are elected or installed.

ARTICLE VIII **DUTIES OF OFFICERS**

Section 1. The President shall be in charge of the Affairs of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors during his/her term of office as President, shall execute all duties pertaining to the office of the President, shall execute and carry out all rules and regulations relating to the administration of the Association. He or she shall countersign all checks. He or she shall, as an outgoing President, appoint all Committee Chairmen for the Incoming President.

Section 2. In the absence or the disability of the President, the Vice President shall have and exercise all of the powers and duties of the President.

Section 3. The Secretary shall keep records of the proceedings of the organization as directed by the President and shall deliver to his successor in office all books and papers belonging to the organization which are in his possession. He or she shall read at each Meeting the Minutes of the previous Meeting, or may have the Executive Director do so in his behalf. He/she shall perform such duties as may be delegated to him or her from time to time by the President and shall coordinate his duties and cooperate with the Executive Director.

Section 4. The Treasurer, in conjunction with the President, will have the responsibility for the management of the Association's funds. The Treasurer will submit a semi-annual report as to the funds of the Association and shall report to the Association concerning its funds on a semi-annual basis or upon request of the President. All disbursements shall be made by checks drawn on the account or accounts of the Association, signed by the President and countersigned by the Secretary or Treasurer. He or she shall coordinate his/her duties and cooperate with the President and the Board of Directors. He or she shall deliver to his/her successor in office all records in his/her possession belonging to the association.

DUTIES OF THE EXECUTIVE DIRECTOR

Section 1. The duties of the Executive Director shall be those assigned to him or her by the President and the Board of Directors.

ARTICLE IX **BOARD OF DIRECTORS**

Section 1. The Board of Directors shall consist of the President, Chairperson of the Board of Directors, the Vice President, the Secretary, the Treasurer, and the three (3) members to be elected at each Biennial Meeting of the Association, whose duties shall be to supervise all affairs of the Association not assigned to a Committee or that may be referred to it by the Association or its President. Five (5) Members of the Board of Directors shall constitute a quorum for the transaction of business, and the Chairperson of the Board of Directors shall preside as Chairperson of all meetings of the Board of Directors. The retiring President at each Biennial Meeting shall, without requirement of being nominated and elected to such office, become the Chairperson of the Board of

Directors for two(2) year immediately following the end of his/her term as President. In the event that a retiring President is unwilling or unable to accept the office of Chairperson of the Board of Directors, then the Chairperson of the Board of Directors shall be elected as provided in Article VII, Section 4.

ARTICLE X **STANDING COMMITTEES**

Section 1. There shall be an Executive Committee, a Membership Committee, a Legislative Committee, a Public Relations Committee, a Legal Committee, a Finance, Budget and Auditing Committee, a Nominating Committee, a Professional Educational Committee and a Convention Committee.

Section 2. The Executive Committee shall consist of the officers of the Association, elected by the Association, at the Annual Meeting , and all Past Presidents of the Association.

Section 3. The Membership Committee shall consist of three (3) Members.

Section 4. The Legislative Committee shall consist of three (3) Members.

Section 5. The Public Relations/Political Committee shall consist of three (3) Members.

Section 6. The Legal Committee shall consist of three (3) Members.

Section 7. The Finance, Budget, and Auditing Committee shall consist of three (3) Members.

Section 8. The Nomination Committee shall consist of five (5) Members.

Section 9. The Professional Education Committee shall consist of three (3) Members to arrange for Guest Speakers and/or Educational Presentations.

Section 10. The Insurance Committee shall consist of three (3) Members.

Section 11. The Constitution and By Law Committee shall consist of five (5) Members.

Section 12. The Convention and Meetings Committee shall consist of three (3) Members.

Section 13. Members of all of the foregoing Standing Committees shall be appointed by the Officers of the Association for the succeeding year promptly and by each incoming President after his election to office.

ARTICLE XI **DUTIES OF STANDING COMMITTEES**

Section 1. The Executive Committee shall have general control of the affairs of the Association between meetings of the Association and the Board of Directors.

It shall also be the duty of the Executive Committee to investigate all complaints and grievances by Regular Member Firms against any Regular or Associate

Member. Written notice of a complaint must be sent to said Member and said Member shall be entitled to defend himself by answering any such complaint or charge against him or her in writing or by personal appearance at a special meeting called for same. All such requests for a hearing must be made, in writing, thirty (30) days after receipt of notice of complaint.

The Executive Committee, after investigating said complaint and hearing defenses, may dismiss the complaint in its entirety, or impose disciplinary action as required. Said disciplinary action may include suspension, fines or revocation of Membership, or other action. Fines imposed shall be up to and including Five Hundred Dollars (\$500.00); however, any disciplinary action, including fines or the revocation of Membership, will occur only after the meeting of all officers and Directors of the Association and a vote of at least 75 percent (75%) of the officers and Directors approving said disciplinary action. In the event of revocation of a Member from the Association, he or she may apply after twelve (12) months from revocation as a new applicant as per Article VI, Section 4.

Section 2. The Membership Committee shall promptly investigate all applications for Regular Membership, as referred to in Article VI, Section 4, and shall submit to the Board of Directors all applications which are not recommended for acceptance by the Membership Committee, in which event the Board of Directors shall give consideration to, and take action upon, such application.

Section 3. The Legislative Committee shall seek, receive and disseminate information and advise as to existing or proposed legislation or regulations affecting the Membership, and shall recommend to the officers and Board of Directors of the Association the procedure to be followed in any situation in which action by the Association or a Statement as to the position of the Association shall be advisable.

Section 4. The Public Relations Committee shall gather, publish, and disseminate such material, data, statements, and items of interest as shall be deemed necessary or advantageous in connection with the affairs of the Association, the furthering of its aims and objective, and the fostering of harmonious relations between the Association and other organizations of the insurance business and the public.

Section 5. The Legal Committee shall act as general counsel of the Association, and shall advise the officers, directors, and committees of the Association in all matters of a legal character or in which legal questions may be involved. Said Committee shall, generally, be charged with the duty of keeping the officers and trustees advised as to all matters of a legal nature, which may arise or affect public insurance adjusters and the Association.

Section 6. The Finance, Budget, and Auditing Committee shall be charged with preparing a tentative budget, each year, and submitting same at the Annual Meeting to the

officers of the Association. It shall, when requested to do so, audit all books and accounts of the Association and shall make plans and suggestions for raising and expending monies required by the Association. Such Committee shall, upon request of the President, determine the monies necessary for special purposes or objectives of the Association that may arise, from time to time, and shall be charged with the raising of any such funds that may be required other than the dues hereinafter provided.

Section 7. The Nominating Committee shall make nominations for the election by the Membership of the Association for the officers of the Association, as specified in Article VII and IX, at the Annual Meeting immediately following the Annual Meeting in which said Nominating Committee was appointed.

Section 8. The Professional Education Committee shall formulate classes in on-going Education of the Insurance Industry with attention devoted to public insurance adjusting, and shall advise and assist in state requirement for testing of applicants for licenses for public insurance adjusting or solicitation, said assistance being designed for the protection of present qualified members and the general public.

Section 9. The Insurance Committee shall inquire into coverage for Association Members as a group for:

- A.) Errors and Omissions
- B.) Bonding

Section 10. The Constitution and By Law Committee shall advise the Board of Directors of any amendments and addendums required to the present Constitution. It shall also be this Committee's duties to advise the full Membership of any violations to same by elected officers or Committee Chairpersons.

Section 11. The Convention Committee shall advise and recommend to the Board of Directors a location for an annual convention and a mid-year convention. Duties also include preparation for same and speakers pertinent to the profession.

ARTICLE XII **MEETINGS OF THE ASSOCIATION**

Section 1. The Association shall have an Annual Meeting in each calendar year at a time and place determined by the Convention Committee, or if the Convention and Meetings Committee cannot reach an agreement as to the place of the Annual Meeting, then the place thereof shall be determined by the Board of Directors. The place of each Annual Meeting shall be determined at least six (6) months prior to the date thereof.

Section 2. Special Meetings may be called by the President or by the Board of

Directors, also upon written request of eight (8) Regular Members of the Association.

Section 3. Notices of the Annual Meeting shall be mailed to each Regular Member and Associate Member no less than thirty (30) days prior to such meeting. Each notice shall state the place and date of the meeting, and, so far as practicable, shall outline the business to be transacted. Notice of each special meeting stating the date and place of such meeting and the business proposed to be transacted therein, shall be mailed to each Member no less than thirty (30) days prior to the date of such meeting, and no business shall be transacted at any special meeting other than that specified in the notice.

Section 4. Proceedings at any meeting shall be according to “Robert’s Rules of Order.”

Section 5. Voting at each regular or special meeting shall be by Regular Members present in person as provided in Article VI, Section 3 and Section 4 thereof.

Section 6. A majority of the Regular Members registered at any meeting shall constitute a quorum, and a majority vote of the Regular Members present shall be necessary to authorize any act of the Association.

Section 7. The Nominating Committee appointed at any time for the purpose of nominating the Officers of the Association shall nominate any member of such Nominating Committee for any office in the Association except that member of Board of Directors. No Regular Member may have more than one (1) chair on this Committee.

Inasmuch as Officers of the Association shall annually move up through the Chairs of Office, it shall primarily be the duties of the Nominating Committee to nominate a Regular Member for the position of Chairperson. It is further hoped that the out-going Chairperson of the Board of Directors will remain to retain a position as a Director.

ARTICLE XIII **INITIATION FEES AND ANNUAL DUES**

Section 1. Initiation Fees: There shall be an initiation fee of \$300 for Members of the Association, whether Regular or Associate Members. All Members, of either class, who became Members of the Association prior to January, 1992, shall be Charter Members. All applicants for membership subsequent to January, 1992, who are accepted for membership, shall not be Charter Members.

Section 2. Annual Dues: The Annual Dues for each Regular Member shall be \$400;

Associate Member, namely, each adjuster or solicitor employed by a Regular Member, shall be free of cost. All dues shall be payable thirty (30) days in advance of the beginning of the Association's new fiscal year.

Section 3. Arrearages: Each Regular Member whose dues are not paid sixty (60) days before the Annual Meeting shall be notified by the Secretary that unless his dues and assessments, if any, are paid before the Annual Meeting, he or she will be suspended from Membership, as well as all Associate Members employed by such firm, and any member who has not paid dues by the date of the Annual Meeting after notice has been mailed by the Secretary as provided herein, shall be automatically suspended from Membership, provided, however, that if such delinquent member shall pay his dues within sixty (60) days after such suspension, the delinquent member shall be automatically reinstated with all Associate Members. No delinquent members are afforded voting privileges.

ARTICLE XIX **FISCAL YEAR AND BUDGET**

Section 1. The Fiscal Year of the Association shall begin on the 1st day of July in each year and end on the 30th day of June of each following year.

Section 2. The Executive Committee shall prepare, prior to each Annual Meeting, a budget for the ensuing Fiscal Year showing the amounts to be appropriated for the purposes of the Association and the estimated revenue of the year. The Executive Committee may amend the budget from time to time during the year.

ARTICLE XV **AMENDMENTS**

Section 1. Amendments or additions to the Constitution and By-Laws may be made at any Annual Meeting of the Association or Meeting of the Association designed for such purpose by the President of the Association, by a two-third (2/3) vote of all the Regular Members present, one vote per firm, after having been submitted by mail at least thirty (30) days previously to the Membership. Amendments may be recommended by the Executive Committee either on its own initiative or may be recommended by it, upon the suggestion of any Member.

MID-ATLANTIC ASSOCIATION OF PUBLIC INSURANCE ADJUSTERS

RULES OF PROFESSIONAL CONDUCT AND ETHICS

The following rules of Professional Conduct and Ethics are applicable to all Members of the Association.

- I. The Members shall conduct themselves in a spirit of fairness and justice to their clients, the Insurance Companies, and the public.

- II.** Members shall refrain from improper solicitation.
- III.** No misrepresentation of any kind shall be made to an assured or to the Insurance Companies.
- IV.** Commission rates shall be fair and equitable and strictly in accordance with the prevailing custom in the locality and must, where laws of regulations of insurance department exist, comply fully with such laws or regulation.
- V.** Members shall conduct themselves so as to command respect and confidence. They shall work in harmony with one another, with their clients, and the Insurance Companies' representatives so as to foster cordial and harmonious relationships, with all branches of the insurance business, and with the general public.
- VI.** Members must be fitted, by knowledge and experience, for the work they undertake. They must not endanger the interests of the public adjusting profession or risk injustice to the assureds, or to the Insurance Companies, by attempting to handle losses or claims for which they are not qualified and for which they cannot find competent technical assistance.
- VII.** Members shall not engage in the unauthorized practice of law.
- VIII.** Members shall not acquire any interest in salvaged property except with the knowledge, consent, and permission of the assured.
- IX.** Members shall be cooperative and assist one another in every possible way.
- X.** Members shall not disseminate or use any form of agreement, advertising, or any printed matter that is harmful to the profession of public adjusting or which does not comply with the rules and regulations of the Insurance Department of the State of Pennsylvania in which such member is professionally engaged or which might subject public adjusting and public adjuster to criticism or disrespect.
- XI.** Members shall not initiate any communications, whether written or oral, on behalf of the Association, without the express authorization of the Executive Committee.
- XII.** Members shall not incur any expenses on behalf of the Association without the express authorization of the Executive Committee.

Suspension

We hereby suspend Article IX Board of Directors, Section 1, in its entirety, and those functions will be assumed by the Executive Committee.