

Bylaws of the National Association for Fixed Annuities

A Nonprofit Corporation

Article I - Purposes

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1. Name. The National Association for Fixed Annuities is a nonprofit, non-stock corporation incorporated in the State of Wisconsin.
2. Purposes. The purposes of the Association are to:
 - a) Provide a forum for the exchange of information among all persons having an interest in fixed annuities;
 - b) Promote the flow of accurate and reliable information regarding the design and use of fixed annuity products, and to help develop and maintain clear standards distinguishing registered and non-registered products;
 - c) Promote a favorable environment for the healthy, long term growth of the market for a fixed annuities for a consumer-oriented and competitive environment;
 - d) Promote adherence to high standards of market conduct;
 - e) Provide opportunities for education, advancement, and improvement of all aspects of the fixed annuities industry through meetings, seminars, communications, publications, and other programs and activities;
 - f) Articulate and communicate the needs and interests of the fixed annuity industry to its membership and other interested audiences, in such manner and frequency as determined by its Board of Directors, from time to time;
 - g) Cooperate on behalf of the fixed annuity insurance industry with suppliers, distributors, dealers, insurers, and customers directly and through their associations in matters involving the business and governmental affairs of the industry; and
 - h) Conduct any other lawful activities related or unrelated to fixed annuities.
3. Restrictions. All policies and activities of the Association shall be consistent with:
 - a) Applicable federal, state, and local antitrust, trade regulation, or other legal requirements; and
 - b) Applicable tax exemption requirements, including the requirements that the Association not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Article II - Offices

1. Location. The principal office of the Corporation is located in the District of Columbia.
2. Other Offices. The corporation may also have offices in such number and locations as determined by the Board of Directors from time to time.

Article III - Members

1. Membership Qualifications. Membership in the Association is available to persons or firms involved in, or associated with, the fixed, indexed, and/or income annuity business. Membership is not transferable.
2. Regular Voting Membership. Regular voting membership in the Association is limited to companies engaged in the manufacturing, service, support and/or marketing of fixed annuities. Regular membership does not include individuals or companies who are licensed to sell fixed annuities and whose major source of income is obtained through the active use of such licensing by selling directly to the public. All regular members must pay regular membership dues. Regular members may serve as committee members, directors and officers.
3. Non-Voting Membership. The following membership classes have no vote, nor are they eligible to serve as directors or hold office in the Association:
 - a) Associate Membership. Associate membership is available to individuals who are licensed to sell fixed annuities to consumers and whose primary income is obtained through the use of such licensing. Dues and other terms of associate membership are specified by the Board of Directors.
 - b) Affiliate Membership. Affiliate membership is available to individuals including educators and government officials having a special interest in fixed annuities. Dues and other terms of affiliate membership are specified by the Board of Directors.
 - c) Life and Honorary Membership. Life and honorary membership is conferred upon individuals or firms according to terms specified by the Board of Directors. No dues are paid by the life or honorary members.
4. Applications for Membership. All applicants for membership must complete and sign the application form provided by the Association and submit the application to the principal office of the Association.
5. Admission of Members. Admission to membership is by majority vote of the Board of Directors based upon a determination that an applicant has met the Association's criteria for membership.

6. Resignation. Any member may resign by filing a written resignation with the Board of Directors; however, resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation.
7. Expulsion. Any member may be expelled for adequate reason by a two-thirds vote of the Board of Directors. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion and does not require advance notice to the member and deliberation by the Board. Any member proposed for expulsion for any other reason shall be given advance written notice, at least two weeks prior to the Board meeting at which the expulsion will be considered, including the reason for the proposed expulsion, and the opportunity to contest the proposed expulsion in writing or in person before the Board of Directors. Final written notice of the Board's decision will be provided within two weeks following the meeting.

Article IV - Dues

1. Dues. Dues are as established by the Board of Directors.
2. Delinquency. Any member of the Association who is delinquent in dues for a period of ninety (90) days shall be notified of the delinquency and suspended from membership. If dues are not paid within the succeeding thirty (30) days, the delinquent member forfeits all rights and privileges of membership and shall be expelled.
3. Refunds. No dues will be refunded.

Article V - Board of Directors

1. Directors. The governing body of the Association is the Board of Directors, which has authority and is responsible for the supervision, control, and direction of the Association. The Board of Directors may establish policies, procedures, and programs of the Association consistent with these Bylaws.
2. The Board of Directors shall consist of not less than six (6) and not more than twenty-five (25) persons elected by and from the regular membership. The exact number of directors will be determined by the Board of Directors from time to time.
3. Election and Term of Office. At each annual meeting of the Association an election shall be held to choose new members of the Board of Directors. Directors shall serve staggered terms of three (3) years or such other terms as determined by the Board of Directors to fit special circumstances.
4. Vacancies. If a vacancy occurs on the Board for any reason, the Board shall appoint a successor to fill the position for the unexpired portion of the term.
5. Meetings. The Board of Directors shall meet at least annually at whatever time and place it

selects. The presence of a majority of directors constitutes a quorum. Where a quorum is present, a majority of directors is necessary to make a decision, except where some other number is required by law or by these Bylaws. Proxy voting is not permitted. Mail voting is permitted, including electronic mail.

6. Removal. A director may be removed by a two-thirds vote of the regular membership. A director may be removed only at a meeting called for the purpose of removing him/her. The meeting notice shall state that the purpose or one of the purposes of the meeting is removal of the director.
7. Compensation. Directors do not receive compensation for their services on the Board.

Article VI - Officers

1. Officers. The officers of the Association are a Chair, a Vice Chair, a Treasurer, a Secretary, and a President & Chief Executive Officer (“CEO”).
2. Qualifications. Officers, except for the President & CEO, must be regular members of the Association who are currently serving as directors. No person may hold more than one office at the same time. Officers may serve consecutive terms.
3. Election and Term of Office. Officers, except for the President & CEO, are elected by written ballot of the Board of Directors each year before the annual meeting of the Association’s regular membership. Officers, except for the President & CEO, serve from January 1st to December 31st, beginning on the first day of January following their induction at the Annual Meeting. The President & CEO shall be appointed and may be terminated by the Executive Committee in its discretion.
4. Duties. The officers perform those duties that are usual to their positions and that are assigned to them by the Board of Directors. In addition, the Chair of the Association acts as Chair of the Board of Directors; the Vice Chair acts in place of the Chair when the Chair is not available; the Treasurer is the financial officer of the Association; the Secretary keeps a record of all the official proceedings of the Association and its Board of Directors, including all reports of committees; and the President & CEO is the Association's chief staff administrative officer.
5. Succession of Office. In the event of the absence, disability, resignation, or death of the Chair, the Vice Chair, the Treasurer, or the Secretary, in that order, shall act as Chair of the Association.
6. Vacancies. If a vacancy occurs among the officers, other than the Chair or the President & CEO, for any reason, the Board shall appoint a current member of the Board of Directors to fill the position for the unexpired portion of the term.
7. Removal. An officer may be removed by a two-thirds vote of the Board of Directors.

8. Compensation. Officers, except for the President & CEO, shall not receive compensation for their services.

Article VII - Meetings of the Membership

1. Annual Membership Meeting. The Association shall hold an annual meeting of the regular membership at such place and on such date as the Board of Directors determines.
2. Special Meetings. Special meetings of the Association's regular membership may be called by the Board of Directors at any time.
3. Notice. The Board of Directors shall give members written notice of the date time and place of each annual and special member's meeting. Such notice shall be given either personally or by mail, no less than ten nor more than sixty (60) days before the date of the meeting except that notice of a members' meeting to act on an amendment of the articles of incorporation, a plan of merger, a proposed sale of assets pursuant to Wis. Stat. § 181.1201-1202, or the dissolution of the corporation pursuant to Wis. Stat. §181.1401 et seq. shall be given not less than twenty-five (25) nor more than sixty (60) days before the meeting.
4. Voting. A quorum for the transaction of any item of business at any meeting shall consist of twenty (20) percent of the regular membership, present in person or present by proxy, unless otherwise provided by the Certificate of Incorporation or these Bylaws. A majority of regular members where a quorum is present is necessary to make a decision except where some other number is required by law or by these Bylaws. If a quorum is not present, a majority of those members present who are entitled to vote may adjourn the meeting from time to time without notice.
5. Date of Record. For the purpose of determining the members entitled to notice of or to vote at any meeting of members or any adjournment thereof, the Board of Directors may fix, in advance, a date as the record date for any such determination of members. Such record date shall not be more than sixty (60) days before the date of such meeting. If no record date is fixed, the record date for the determination of members entitled to vote at a meeting of members shall be at the close of business on the day next preceding the day on which notice is given, or, if no notice is given, the day on which the meeting is held.

Article VIII - Committees

1. Executive Committee. The Executive Committee shall consist of the Chair, Vice Chair, Secretary, and Treasurer of the Association. It may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters, where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting. The immediate past Chair shall be an ex-officio member of the Executive Committee.
2. Committees. The Chair shall appoint such other committees as are necessary. The President & CEO shall be an ex-officio member of all committees. All voting members of any

committee of the Association must be regular members, as that term is defined in Article III, Section 2.

Article IX - Property and Finances

1. **Operating Funds.** All operating funds of the corporation shall be deposited or invested in the name of the corporation as directed by the Board of Directors. All corporation funds received by any member, director, officer, employee, or agent of the corporation in connection with any activity of the corporation shall be held in trust for, and immediately delivered to, the corporation through its Treasurer or his/her designee.
2. **Execution of Contracts.** The Board of Directors may authorize any officer(s) or agent(s) of the corporation to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.
3. **Signing of Financial Instruments.** All checks, drafts, or orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer(s) or agent(s) of the corporation and in such manner as the Board of Directors may designate from time to time.
4. **Auditors.** Auditors shall be appointed or terminated by the Executive Committee.

Article X - General Provisions

1. **Fiscal Year.** The fiscal year of the corporation shall be the calendar year unless otherwise fixed by the Board of Directors.
2. **General Counsel.** A General Counsel may be appointed or terminated by the Executive Committee.
3. **Amendment.** Amendments to these Bylaws may be made without prior notice at an annual membership meeting of the Association where a quorum is present, by a two-thirds vote. Emergency amendments may be made at any time by a two-thirds vote of the Board of Directors, but emergency amendments are temporary and subject to subsequent approval by either (a) a two-thirds vote at the next meeting of the Association's regular membership or (b) by electronic means under terms approved by the President & CEO, as long as the procedure ensures the right of all regular members to vote.