

## **Rules of Conduct of Members' Meetings and Voting Procedures to be Followed During Annual Meeting of Members**

1. Except as otherwise expressly provided by statute or authorized by law, all annual or special meetings of the Members of the Association, and any adjournment thereof, shall be conducted in accordance with these Rules of Conduct and all such meetings shall be open to the public.
2. The Chair or the Chair's designee shall preside at all annual or special meetings of the Members, and the Secretary elected by the Board, or the Secretary's designee, shall keep a full and permanent record of such meetings. Such meetings shall be conducted in accordance with the Plan of Operation and in accordance with the Act and any Operating Rules adopted by the Board.
3. The votes of the Members on any action taken in a meeting shall be recorded in the minutes of the meeting. Only Members as defined in the Act shall be entitled to vote at annual or special meetings. Motions, seconds, and voting shall be only by representatives of Members who have registered with proper Credentials authorizing the representatives to vote as required hereinafter.
4. Members may participate in discussion through their officers, employees, or agents, provided they have registered at the meeting in such capacity, or have otherwise been identified and allowed to appear in such capacity during the meeting. Members shall be permitted to participate in discussion when permission is granted by the Chair.
5. Each Member shall be entitled to a weighted vote based upon one (1) vote for each One Dollar (\$1.00) of the Member's Exposure Base, as reported and certified to the Members at such meeting; provided, however, that any Member having less than One Dollar (\$1.00) of Exposure Base shall not vote at the meeting. The term "Exposure Base" shall have the meaning stated in the Plan of Operation as approved by the Members, or amended as authorized in the Plan of Operation, and approved by the Commissioner.
6. A majority of the weighted votes of the Members shall constitute a quorum at all meetings, and a majority of the votes of the Members, voting in person or by proxy shall be required to adopt or ratify any matter being voted upon during the meeting.
7. If a Member elects to vote in person through a representative at the meeting, the Member shall provide the representative with credentials, signed by an officer of the Member who is authorized to enter into contracts on behalf of the Member, indicating the representative's authority to vote on behalf of the Member. The credentials must be filed with the Secretary or the Secretary's designee prior to or at the meeting.
8. Oral votes shall be taken on all matters coming to vote before the meeting. If the vote is not unanimous, the Chair may ask for a hand vote or may otherwise request the Members voting in the apparent minority to identify themselves. The Chair may then reopen discussion with respect to the matter, or parts thereof, with such time limit or other conditions as the Chair may deem appropriate. The Chair may call for a second oral vote on the matter, or parts thereof, with or without further discussion thereon. If the vote is not unanimous, the Chair shall direct the Secretary, or the Secretary's designee, to call for the vote of each Member represented in person and registered at such meetings, and for the vote of the persons designated by the Board to hold Member's proxies, and such roll call vote shall be conducted until a majority of the weighted votes of the Members, voting in person or by proxy holders, have been cast in favor of or against the matter subject to the roll call vote.

9. Cumulative voting shall not be permitted for matters brought to a vote at the meeting.
10. The Chair may appoint a Parliamentarian to assist in the orderly conduct of the meeting.
11. In order that there may be orderly conduct of the affairs of the meeting to promote a considered judgment by the Members after a full and fair discussion of matters brought before the meeting, except as otherwise provided in these Rules, Robert's Rules of Order (Revised) shall be used by the Chair or the Parliamentarian to control parliamentary procedure, provided that the decision of the Chair shall be deemed final and conclusive with respect to any dispute on parliamentary or other procedural matters.
12. Voting Procedures to be followed during the Annual Meeting of Members. Prior to the commencement of the meeting, the Secretary, or the Secretary's designee, should have available an alphabetical list of proxies held, the total votes represented by proxy, and a list of members present for voting, beginning with the largest number of weighted votes present.
  - A. When a vote is called on a question, the Chair will first request the Secretary to give the weighted vote of proxies held. If a majority of the vote is present in proxies, no further vote count is necessary.
  - B. If the proxy vote is not a clear majority, and the oral vote is not unanimous, the Chair then has the option of requesting either a vote by show of hands, or requesting the minority to identify themselves.
  - C. The Chair then has the option of reopening discussion on the question, or any part thereof, and may also place a time limit on the time allowed for discussion as he chooses.
  - D. The Chair then may call for a second oral vote, if desired, to determine if any of the minority has reconsidered.
  - E. If the vote is still not unanimous on a second oral vote, the Chair then must request a roll call vote, and request the Secretary or the Secretary's designee to read the roll call list. The roll call list should be read by the Secretary and the vote recorded and totaled until it is determined that a clear majority has prevailed.
  - F. The Chair then determines the vote, and the issue is closed.
  - G. The Chair may then call for any negative votes who wish to be recorded in opposition.

Adoption date: April 23, 1980

Amended dates: September 5, 1984  
April 14, 1987