

2765.0400 BYLAWS.

Subpart 1. **Content.** Bylaws may contain any provisions that do not conflict with this chapter. Bylaws must, at a minimum, contain the following provisions:

- A. the plan's name, purpose, and initial date of existence;
- B. definitions of key terms;
- C. a statement of the powers, duties, and responsibilities assigned to the board, the service company, and the financial administrator, and reserved to the membership;
- D. the number, term of office, method of selection, and method of replacement of the members of the board;
- E. the procedure for calling board meetings;
- F. the method of periodic selection and review of the service company and financial administrator;
- G. the procedure for amending the bylaws;
- H. the procedure for resolving disputes among members, which must not include submitting disputes to the commissioner;
- I. the criteria for membership in the plan, including standards of financial integrity and loss experience;
- J. the procedure for admitting new members to the plan;
- K. the criteria for expelling members from the plan, including nonpayment of premium;
- L. the procedure for withdrawal and expulsion of members from the plan, including the minimum required period of membership;
- M. a statement of the coverages the plan intends to provide;
- N. the procedure for adding and dropping a member's participation in a particular coverage;
- O. a schedule for premium payments by members and, if applicable, their employees;
- P. the procedure for changing premium rates;
- Q. the procedure for levying and collecting an assessment;
- R. a statement of who may have access to plan funds and for what purposes;
- S. the procedure for distributing dividends, and the eligibility of past members and past covered employees for dividends; and

T. the procedure for distributing assets remaining upon the plan's dissolution.

Subp. 2. **Adoption and changes.** The bylaws must be adopted in writing by all initial members. Authority to change the bylaws must reside with the membership or the board, according to the terms of the bylaws. Authority to change the bylaws may not be delegated to a contractor or other outside party. The plan must file bylaw changes with the commissioner not less than 30 days after adoption.

Statutory Authority: *MS s 62H.06*

History: *9 SR 989*

Published Electronically: *October 19, 2004*