

CONSTITUTION
of
The AMERICAN FRATERNAL ALLIANCE

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ARTICLE I
Name and Organization

This Association shall be known as the American Fraternal Alliance, hereafter referred to as the Alliance. The Alliance is organized under the laws of the state of Illinois as a not-for-profit corporation.

ARTICLE II
Mission of the Alliance

The Alliance's mission is to strengthen and support its members and the fraternal benefit system by providing advocacy, information and public policy development.

ARTICLE III
Membership

Section 1. Any fraternal benefit society legally authorized to transact any forms of life, health or accident insurance business in the United States that meets and agrees to follow the membership standards prescribed by the Alliance may be admitted to membership as a member society by a two-thirds (2/3) vote of all of the members of the Board of Directors. All applicants for membership shall complete and sign the forms of application provided by the Alliance and submit the application to the Alliance. The Board of Directors by a two-thirds vote of all of the

members of the Board may suspend a member society from membership if the member society does not support the mission of the Alliance or otherwise violates the terms and requirements of this Constitution or direction of the Board of Directors.

Section 2. The Board of Directors may admit to associate membership organizations whose missions and activities are aligned with the Alliance and member societies. Applicants must submit all required forms and information and may be admitted by a majority vote of those present at any meeting of the Board of the Directors. Associate members shall have such rights and benefits and shall be subject to such requirements as determined by the Board of Directors, but shall have no vote in the affairs of the Alliance and shall not be eligible to hold any office. Associate membership shall include the following classes:

(a) Affiliates, comprised of organizations providing products or services to member-societies.

(b) Foreign Societies, comprised of fraternal benefit societies legally authorized to transact life, health or accident insurance business only in jurisdictions other than the United States.

(c) Fraternal Friends, comprised of organizations operating under the lodge system that are domestic fraternal societies described in section 501(c)(10) of the Internal Revenue Code or fraternal benefit societies described in section 501(c)(8) of the Internal Revenue Code that are not authorized to transact insurance business.

(d) Non-Profit Partners, comprised of organizations that regularly partner with member-societies to achieve common charitable/ fraternal goals.

The Board of Directors may terminate any associate membership at any time by majority vote of those present at any meeting of the Board of Directors.

ARTICLE IV

Annual Meeting and Special Meetings

A regular annual meeting of the Alliance shall be held at such time and place as may be selected by the Board of Directors. The Board of Directors shall send via mail or electronic notice the time and place of the regular annual meeting to all member societies at least thirty (30) days prior to the date of such annual meeting.

A special meeting of the Alliance may be called by the Board of Directors and shall be called upon the written request signed by the Presidents and Secretaries of the majority of the member societies. Notice of such special meeting shall state the purpose and objects thereof and shall be sent via mail or electronic notice to all member societies at least fifteen (15) days prior to the date fixed for such meeting. Only subjects specified in the notice of the meeting may be acted upon at the special meeting.

ARTICLE V
Representation

In all matters before the Alliance at its annual meeting or any special meeting, the voting by member societies shall be as follows:

Each member society may designate one (1) individual member in attendance at the annual meeting to represent the member society as its official delegate. When registered and accepted by the Credentials Committee of the Alliance, such delegates shall be entitled to one (1) vote each if in attendance and present at the time of the vote. No person shall be a delegate for more than one (1) member society.

ARTICLE VI
Quorum

Attendance of a delegate from twenty-five percent (25%) of the member societies of the Alliance shall constitute a quorum for the annual meeting and any special meeting of the Alliance.

A majority of the members of the Board of Directors or of any committee shall constitute a quorum.

If a quorum is not present, the members of the body in attendance may adjourn the meeting until a quorum is present.

ARTICLE VII
Dues

The annual dues for each member society and each associate member shall be determined by the Board of Directors and shall be paid by members in accordance with schedules established by the Board of Directors.

If the annual dues of the member society are not paid on or before the due date, the member society shall automatically be suspended from membership. The Board of Directors may, upon petition of a member society suspended for non-payment of dues, reinstate said member society on such conditions and terms as the Board of Directors shall determine.

ARTICLE VIII
Board of Directors

The Board of Directors oversees the business, affairs and management of the Alliance. The Board shall consist of not fewer than seven (7) but no more than eleven (11) Elected Directors as set by resolution of the Board of Directors and four (4) Appointed Directors. No more than two (2) Directors may be representatives of the same member society.

Section 1. At each annual meeting of the Alliance, Elected Directors shall be elected to serve for a three (3) year term. Terms for the Elected Directors shall be staggered and shall be set so that the number of Elected Directors whose terms expire in any given year never equals or exceeds a majority of the Elected Directors. Each Elected Director shall be eligible to serve no more than two (2) consecutive terms except that (a) an Elected Director elected by the Board of Directors as Chair or Vice Chair of the Board during his/her second consecutive term shall be eligible to serve one additional consecutive term, and, (b) a Director elected or appointed to complete an unexpired term shall be eligible to serve two (2) consecutive terms in addition to completing the unexpired term. All Elected Directors shall hold office until a successor shall be elected.

Section 2. Each of the four (4) highest dues paying member societies determined by the Board of Directors as of January 1 each year shall annually be given the option of naming one (1) Appointed Director to the Board. At such time as determined by the Board of Directors, the four (4) highest dues paying member societies that choose to name an Appointed Director to the Board shall notify the Alliance CEO of the name of their representative. Appointed Directors shall serve a term of one (1) year. If any of the four (4) highest dues paying member societies entitled to designate an Appointed Director under this Section 2 declines or otherwise fails to designate a representative, the Board of Directors may appoint a Director to fill the position of Appointed Director for a term of one (1) year.

Section 3. All members of the Board of Directors, including Appointed Directors as described in Section 2 above, shall serve only with the support of the Board member's sponsoring Society and shall be a current or retired senior executive officer of the sponsoring Society. In the event that any member of the Board of Directors, whether appointed or elected, loses the support of his/her sponsoring Society during his/her term of office, that Director shall be considered to have resigned from the Board of Directors and a replacement shall be chosen as outlined in Section 4 of this article to serve the remainder of the vacated term. At the end of the term, a new director shall be elected or appointed according to the methods described in this Article VIII. In no case may a Director transfer his/her sponsoring membership from one society to another during the term.

Section 4. The Board of Directors may fill any vacancy occurring for the unexpired term of a Director. The Board of Directors may remove a Director from office by an affirmative vote of two-thirds of all the Directors in office, excluding the Director in question.

ARTICLE IX

Board Officers

The Board of Directors shall elect from its membership a Chair of the Board, a Vice-Chair of the Board, a Secretary-Treasurer and such other Board officers as it shall determine. Such officers shall serve a term of one (1) year or until a successor is elected. The Chair of the Board and Vice-Chair of the Board may not serve more than two (2) consecutive terms.

Section 1. The Chair of the Board shall serve as Chair of the annual meeting, special meetings and the Board of Directors. The Chair of the Board also shall perform such other

duties as are necessarily incident to the Office of Chair of the Board and duties as may be prescribed by the Board of Directors.

Section 2. The duties of the Vice-Chair of the Board shall be as delegated by the Board of Directors. In the event of the inability of the Chair of the Board to serve, the Vice-Chair of the Board shall perform the duties of the Chair of the Board.

Section 3. The Secretary-Treasurer shall oversee accounting procedures for the handling of the Alliance's funds and shall report on the financial condition of the Alliance at all meetings of the Board of Directors and at other times when called upon by the Chair of the Board. The Secretary-Treasurer also shall perform such other duties as are necessarily incident to the office of Secretary-Treasurer and duties as may be prescribed by the Board of Directors.

ARTICLE X Chief Executive Officer

The Board of Directors shall employ a chief executive officer (CEO) who shall be responsible for the conduct of the business of the Alliance, and whose terms and conditions of employment shall be specified by the Board. The CEO may employ such personnel as may be required.

ARTICLE XI Liability and Indemnification

Section 1. No director or officer of the Alliance serving without compensation, other than reimbursement for actual expenses shall be personally liable for damages by reason of exercise of judgment or discretion in connection with the duties or responsibilities of such director or officer, except as otherwise set forth in the Illinois General Not For Profit Corporation Act of 1986, or as it may be amended. Any amendment or repeal of this paragraph shall not adversely affect any right of a director or officer hereunder with respect to any matter occurring prior thereto.

Section 2. The Alliance shall indemnify its directors, officers and employees to the extent permitted by the Illinois General Not For Profit Corporation Act of 1986, or as it may be amended, and may purchase and maintain liability insurance on behalf of any such person as permitted by that Act. Any amendment or repeal of this paragraph shall not adversely affect any right of, or protection provided for, any such person for any act occurring prior thereto.

ARTICLE XII Committees

Section 1. Board Committees. The Board of Directors may designate committees comprised of three (3) or more Directors which shall have such powers and purposes as designated by the Board.

Section 2. Board Appointed Advisory Bodies. The Board of Directors may designate and appoint advisory bodies to perform such functions as determined by the Board of Directors.

ARTICLE XIII Sections

The Board of Directors of the Alliance may designate any number of Sections to focus on specific disciplines or areas of activity common to member societies. The Board of Directors shall adopt guidelines regarding the operational authority granted to, or otherwise withheld from, the Sections.

ARTICLE XIV State Fraternal Alliances

State or Regional Fraternal Alliances are autonomous organizations that operate independently from the American Fraternal Alliance. State or Regional Fraternal Alliances are responsible for their own governance structure, constitution and bylaws, rules and regulations, membership standards, incorporation, and financial record keeping, including establishing dues levels and billing and collecting dues from members.

ARTICLE XV Rules of Order

The Board of Directors shall adopt formally recognized parliamentary rules to guide all parliamentary proceedings of the Alliance.

ARTICLE XVI Electronic Meetings

Any meeting of the Alliance, the Board of Directors, any committee or any other body may be held electronically or telephonically by a method whereby the members of the body can participate and hear one another.

ARTICLE XVII Amendments

The Constitution may be amended at any annual meeting of the Alliance by two-thirds (2/3) of the votes cast on the question of such amendment. However, notice of the proposed amendment shall be read in an open business session of the Alliance at least one (1) day before a vote is taken thereon. Between annual meetings of the Alliance, the Board of Directors may, by a two-thirds (2/3) vote of all of the Directors in office, amend the Constitution in any way necessary to remove or revise contradictions or ambiguities or to conform to legal requirements.

* * *

As amended September 27, 1997, Toronto, Ontario, Canada
As amended September 19, 1998, Atlanta, Georgia
As amended September 18, 1999, Arlington, Virginia
As amended September 30, 2000, Chicago, Illinois
As amended September 22, 2001, Lake Buena Vista, Florida
As amended September 28, 2002, Indian Wells, California
As amended September 27, 2003, Washington, D.C.
As amended September 26, 2004, Saint Louis, Missouri
As amended September 10, 2005, Milwaukee, Wisconsin
As amended September 6, 2008, Washington DC
As amended September 19, 2009, San Antonio, Texas
As amended September 11, 2010, Chicago, Illinois
As amended October 1, 2011, Denver, Colorado
As amended September 8, 2012, New Orleans, Louisiana
As amended September 12, 2015, Indianapolis, Indiana
As amended September 7, 2018, Minneapolis, Minnesota

[October 17, 2018]