



2018 National Convention Bylaw Change Recommendations

Bylaw Change Recommendation
1. Replace phrase "Financial Board" to "Board of Directors" wherever it appears in the bylaws
2. Change name of "Screening" committee to "Nominating" committee wherever it appears in the bylaws
3. Section 402-Delete the old paragraph and replace with the following: 402. A member in good standing is a person who is in good financial standing in KSKJ Life. A person in good financial standing in KSKJ Life, and who is not a limited member, is considered an active member. 402. A member in good standing is a person who has an insurance certificate (the insured) and is in good financial standing in KSKJ Life. A person in good financial standing in KSKJ Life, and who is not a limited member, is considered an active member.
4. Para 801-Delete the old paragraph and replace with the following: 801. The supreme legislative body of KSKJ Life shall be composed of members of the Board of Directors, and delegates or alternates elected by the local lodges, as hereinafter provided, who shall vote in person only. 01. The supreme legislative body of KSKJ Life shall be composed of members of the Board of Directors and qualified delegates, or seated alternates, elected by local KSKJ Life lodges, as hereinafter, who shall vote in person only.
5. Paragraph 902. Change dates for delegate election to between February 1 st – March 31 st .



902. Each active local lodge shall elect its delegates to the National Convention at either a regular or a special meeting to be held between ~~March 1st and April 30th~~ of the convention year.

6. Paragraph 903.

Delete sentence: ~~“Five active members must be present for a quorum and a meeting to be valid”~~ and replace with:

“In order to constitute a valid local lodge meeting for delegate election, it must consist of at least one of the following lodge officers: President, Financial Secretary, or Fraternal Activities Coordinator, and a minimum of four (4) additional active lodge members.



7. Paragraph 904. Replace with new paragraph below.

~~904. The Secretary of local lodge should publish a notice of meeting for election of delegates in the Official Publication. Said election shall be by public nomination and secret ballot and when three or more persons are nominated, a majority vote of the members present shall elect; if no one person receives a majority vote the two nominees receiving the most votes shall again be balloted upon and the one receiving a majority vote shall be elected. Local lodges entitled to more than one delegate shall elect each additional delegate according to the procedure specified above. After election of delegates, two or more alternates shall be elected. The first alternate elected shall fill any vacancy occurring in the delegates elected. The second and other alternates to fill the subsequent vacancies in the order in which they are elected. Official notification in writing of excused absence to the lodge president shall allow any eligible member to run for a convention delegate/alternate even though he/she is unable to be present at the election meeting.~~

The lodge secretary should publicly communicate a notice of the meeting for election of delegates. Communication can be digital and should be made through KSKJ Life publications, email, and/or any other communications medium commonly used by their lodge members.

Said election shall be by public nomination and secret ballot. A majority vote of the members present shall elect the delegates and alternates to the National Convention. Lodges entitled to more than one delegate shall hold one election with the number of delegate positions listed on one ballot. Any individual who will not be able to attend the election meeting but desiring to run for a delegate/alternate position, shall give prior written notice to the lodge president stating the reasons for said absence. In order to be eligible, the absent individual must receive the approval of the lodge president for his or her absence which may not be unreasonably withheld. After nominations, members shall vote by inserting a different candidate's name into each of the available positions (candidates may vote for themselves). In order for a ballot to be valid and counted, all



available positions must contain the name of a nominee. Ballots will be immediately tallied publicly before the voting members. The top vote getters will earn the available delegate positions.

The remaining nominees will be considered alternates and will fill any vacancies that may occur. Alternates will be assigned in descending order according to the highest remaining vote getters. Official notification in writing by any elected delegates withdrawing from their position is necessary before alternates are appointed to delegate positions. Any documentation regarding delegate changes should be submitted to the home office for record-keeping.

8. Para 1001: Delete this paragraph:

~~1001. The National Convention shall be held quadrennially at the place selected by the last preceding National Convention. In the event no decision is made at the National Convention, the Board of Directors has the authority to select the site and date.~~

and replace with the following:

“The National Convention shall be held quadrennially at a place and date selected by the Board of Directors.”

9. Para 1003 delete sub-para (11)

~~(11) Selection of place for next National Convention.~~



Add new paragraph 1011: (replacing 1404, e)

10. All convention applications to the KSKJ Life Board of Directors shall be reviewed by the Convention Screening Committee. Screening Committee will be composed of KSKJ Life members from different member geographical locations to promote balanced representation from membership. Screening Committee shall review all board applicants for required qualifications as per KSKJ Life Bylaws, Board of Directors Guidelines, and State of Illinois and National Association of Insurance Commissioners (NAIC) governance regulations. The Screening Committee shall present a report to the National Convention for the delegates approval. Said report shall be the basis of the election of National Officers and Directors. Based upon other bylaw provisions and the requirements of the Illinois Department of Insurance for candidate background investigations and screenings, no new candidate applications or nominations will be accepted after the bylaw stated application deadline.

11. Para 1403 added language at end of section:

1403. All elected officers and directors shall hold office for a period of four years, beginning the first of the month after 30 days following the completion of the National Convention or until their successors are duly elected or appointed.

ADD:

Elected officers and directors must remain in good standing during their term on the Board. Failure to remain in good standing may result in removal of said individual from his or her position by action of the Board of Directors, and the vacancy shall be filled in accordance with these bylaws.



12. Para 1404, sub-para (a) add language:

1404. a) Only active members of KSKJ Life in good standing, **for at least two years prior to the start of the Convention**, who are citizens of the United States, who are less than 70 years of age on the first day of the National Convention in session or at the time when a vacancy occurs on the Board of Directors, and who do not hold any Supreme and/or National Office in any other fraternal insurance benefit society, or any full time captive agent/subagent shall be eligible for a National Office or Director in KSKJ Life.

13. Para 1404, sub-para (b): delete phrase indicated:

“No member of the board shall be related to any other member of the board or employee of KSKJ Life (~~this will not apply to current board members and their continuous future terms~~) as spouse, children, parents, grandchildren, grandparents, siblings, siblings-in-law, or parents-in-law.”



14. Para 1404, sub-para (c): delete last sentence and replace with following:

c) Board of Directors candidates shall have a sufficient background, so as to enable said individual to comprehend and take an active role in KSKJ Life operations as a director. Candidate shall have displayed experience in one or more of the following areas: finance, insurance, fraternal leadership and participation. ~~Board members will participate in an independent study course covering fundamental concepts of insurance operations.~~

ADD:

“Board members must complete all training and continuing education requirements as assigned by the Board or required by state insurance departments and NAIC, as well as federal regulators. New Board members must complete orientation as required by Board Guidelines. Failure to complete all required training in accordance within the stated time period may result in the Board member being removed from his or her position by action of the Board of Directors and the vacancy shall be filled in accordance with these bylaws.



15. Delete para 1404, sub-para e- delete the current language:

~~e) All nominations to the board shall be reviewed by the Screening Committee for qualifications. The Screening Committee will be composed of one member from each region.~~

And insert new language:

Current Board members and new candidates for the Board are required to complete an application, screening process and background checks to ensure required qualifications are met per KSKJ Life Bylaws, Board of Directors Guidelines, State of Illinois and National Association of Insurance Commissioners (NAIC) governance laws and regulations. All application materials are required to be completely submitted by current Board member and new applicants according to the deadline described in these bylaws. All candidates for the Board shall identify the position(s) they are seeking. No candidate shall be elected to more than one position. Any positions not filled at the convention will be appointed by the Board at a later date. A list of qualified candidates approved by the Screening Committee will be communicated to the voting members prior to the start of the National Convention.

16. Para 1602: Change word “semiannually” on line one to “at least quarterly” and change “the Audit Committee” to “a majority of the members of the Board of Directors”

1602. Regular meetings of the Board of Directors shall be held ~~semiannually~~ at least quarterly and are to be attended by all Board Members. Meetings can be held via electronic media. Such meetings shall be called by the Home Office Executive Staff with the consent of the National Chair of the Board or by ~~the Audit Committee~~ a majority of the members of the Board of Directors. Special meetings can be held via electronic media.

17. Para 1708: Delete paragraph:



~~1708.~~ The Board of Directors shall have full power and authority to classify applicants for insurance with respect to personal and family history.

And replace with following:

“The Board of Directors has full power and authority to issue insurance products and annuity and investment type products and/or certificates.”

18. Para 1711: Delete entire paragraph

~~1711.~~ The Chair of Board and Home Office Executive Staff, acting jointly, shall have the power to make any purchase or procure equipment necessary for the Home Office without the consent of the other National Officers or Directors, providing, however, that the amount of the purchase price involved does not exceed \$10,000.00.

19. Para 1718: Insert New Maintenance of Solvency language. Delete current:

~~1718.~~ If the periodical payments required for General Fund of KSKJ Life shall be insufficient to pay all claims in full against said fund, including expenses of operation of KSKJ Life and to provide for the accumulation and maintenance of the necessary reserves, extra or additional payments shall be required in such amounts and in such manner as may be determined by the Board of Directors of KSKJ Life, or the benefit certificate shall be charged with a just and proper share of any impairment in reserves.

And replace with:

The Board of Directors of KSKJ Life is authorized to levy special assessments to provide for the Order’s legal reserves and other liabilities. When in the Boards’ opinion a deficiency exists, the Board will determine and levy each member’s equitable proportion of the deficiency. If payment is not made, the member may choose, within thirty (30) days of the levy’s notice, that the deficiency (1) stand as an indebtedness against



the policy and draw interest not to exceed the rate provided in the policy for policy loans or (2) a proportionate reduction in the Insurance Benefits provided by the policy. No such assessment shall take effect unless a thirty (30) day notification has been provided to the Illinois Director of Insurance, who shall have the ability to disapprove the assessment only if the Illinois Director of Insurance finds that such assessment is not in the best interests of the members. However, in no event may an assessment obligation be forgiven, credited or repaid by whatever means in lieu of collection or reduction in benefits, unless provide to all members of KSKJ Life and approved in writing by the Illinois Director of Insurance. Notwithstanding the foregoing, KSKJ Life may fully repay, credit, or forgive an assessment from the date of death of any life insured under a certificate so long as the plan to forgive or repay the assessment is certified by an independent actuary and filed with the Illinois Director of Insurance to make reasonable and adequate provision for the forgiveness or repayment of the assessment to all assessed members of KSKJ Life as a result of the death. If the member does not exercise an option within thirty (30) days of levy notification, the indebtedness (1) will stand as an indebtedness against the policy and draw interest, not to exceed the rate provided in the policy for policy loans if the policy is an annuity or whole life policy or (2) shall reduce proportionally any benefit payable under the policy if the policy, when issued, was not intended to have cash value.



20. Para 2106 Delete sentence:

2106. Each local lodge shall hold at least one meeting a month, (meetings may be held via electronic media) at such hour, day and place as may be determined by the lodge. If such time is changed, it shall be the duty of the lodge secretary to notify the Home Office thereof. ~~Five active members must be present for a quorum and a meeting to be valid.~~ To be considered active, lodge must:

- a) have a required number of elected officers
- b) hold a minimum of four valid meetings each calendar year
- c) be active in sponsoring KSKJ Life fraternal and charitable programs
- d) have an active Lodge Membership Committee
- e) reasonably comply with all Bylaw provisions and board directives

And replace with:

“In order to constitute a valid local lodge meeting, it must consist of at least one of the following lodge officers: President, Financial Secretary, or Fraternal Activities Coordinator, and a minimum of four (4) additional active lodge members.”

21. Para 2106, sub-para (d) delete current:

- ~~d) have an active Lodge Membership Committee~~

And replace paragraph with:

“submit annual reports as required by the Board of Directors.”



22. Section 2201, add to sub-para(f):

f) All proceedings held in connection with the mediation or arbitration shall be held at a site determined by the parties which site shall be located in either Will or Cook Counties in the State of Illinois.

ADD:

In the event the individual who brought the dispute against KSKJ Life fails to respond or provide requested information/documentation regarding their claim within thirty (30) days of a request for same, it will be deemed that said party has voluntarily terminated the process

23. Para 2301: Delete paragraph:

~~2301. All laws and regulations contained herein shall become effective on the first day of January in the year of our Lord 2007 and all former laws and regulations are hereby repealed and declared null and void and of no effect.~~

And replace with:

“Unless otherwise provided, all Bylaw changes become effective 30 days after approval by the Illinois Department of Insurance and publication to KSKJ Life members.

24. Add paragraph 2305: “All proceedings of KSKJ Life shall be governed by the KSKJ Life Bylaws and to the extent there are no bylaws, then the current edition of Robert’s Rules of order will govern.”