

**BY-LAWS OF THE**



**SPJST**

**33rd Convention  
2021**

# **Order of Business in Lodge Meetings**

1. Convening of the meeting
2. Pledge of Allegiance
3. Tribute to departed members
4. Roll call of officers
5. Reading of minutes
6. Announcement of income and disbursements
7. Reading of communications received
8. Reading of reports of officers and committees
9. Reading of names of applicants and balloting thereon
10. Initiation of new members
11. Unfinished or deferred business
12. New business
13. Election of officers
14. Motions for amending local lodge procedures
15. Adjournment of the meeting
16. Dues are to be paid to the financial secretary before or at the end of the regular business meeting.

# CONSTITUTION AND BY-LAWS of **SPJST**



**Founded at La Grange, Texas  
July 1, 1897**

Adopted in the 33rd Convention

Held August 14 and 15, 2021

Killeen, Texas



Main Administrative Body:

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## ARTICLE I NAME

**Section 1.** The name of this Fraternal Benefit Society is SPJST, originally chartered as Slovanská Podporující Jednota Státu Texas (Slavonic Benevolent Order of the State of Texas {SPJST}).

## ARTICLE II PRINCIPAL OFFICE

**Section 2.** The principal office (Home Office) of SPJST shall be located in Temple, Texas.

## ARTICLE III OBJECTIVES

**Section 3.** The objectives of this Society, as organized by fearless and peace-loving Czech pioneers in Texas, are:

(1) To provide and promote fraternal and social fellowship among its members.

(2) To endeavor to keep alive the cherished traditions, customs, heritage, culture, and language of our forefathers.

(3) Generally, through moral, spiritual, and economic respect, to encourage benevolence and humanity through the Society with sound practical life insurance products for its members.

(4) To operate under the lodge system.

(5) To provide for the payment of life, sick, accident, or other benefits to its members.

**Section 4.** Mission. Insuring and enriching lives.

**Section 5. Vision.** Our vision is to provide financial security for our members; build a wholesome family environment; and encourage cherished Czech traditions.

## **ARTICLE IV FRATERNAL BENEFICIARY SOCIETY**

**Section 6.** SPJST is a 501(c)(8) non-profit corporation formed, organized, and incorporated under the fraternal benefit society laws of the State of Texas; and carried on solely for the mutual benefit of its members and their communities and beneficiaries; and having a lodge system, with a representative form of government. SPJST shall have all the powers granted to it by law. SPJST will strive to be a financially strong fraternal benefit society and to provide high quality, competitive life insurance and value-added benefits to its members. SPJST will conduct its affairs in a manner that is perceived as a good corporate citizen.

## **ARTICLE V MEMBERSHIP**

**Section 7. Application for Membership.** Individuals may become members if they meet the requirements for membership established by SPJST, apply for membership upon a form in use by SPJST, and are accepted into membership in accordance with the rules, procedures, and rituals of SPJST. All members must be citizens, legal residents of the United States, or tax-paying non-residents with a legal Individual Taxpayer Identification Number (ITIN).

**Section 8. Local Lodge Membership.** The local lodge has the right to determine whether it will accept an applicant for membership into the lodge. Upon receipt of notification of a new candidate for membership, the local lodge shall vote to accept or to reject the candidate no later than the second regularly scheduled meeting after notification is received by the local lodge. The candidate for membership must receive a majority vote of those present and voting to be accepted as a member. The local lodge secretary notifies the candidate whether he/she is accepted or rejected. If rejected, the member may begin application to another lodge. No one may hold membership in more than one SPJST lodge.

**Section 9. Membership Classes.** There shall be the following classes of members:

(a) Adult Member.

(1) A person of 18 or more years whose application has been accepted and approved and to whom there has been issued a certificate of membership and insurance or annuity which is in force or who is receiving a settlement agreement benefit by reason of such insurance or annuity. It is expressly determined that in this latter event, the owner of the insurance or annuity, if different from the insured, shall have no privileges of membership and the insured will retain these rights.

(2) A person may become a member by purchasing an annuity in a minimum amount as set by the Board of Directors and pays his or her local lodge dues and assessments, if any, annually in advance.



(3) Further, it is determined that in the event that a third party owner surrenders the insurance or annuity, the insured who is the member shall have his/her membership privileges imparted by the surrendered insurance or annuity terminated immediately.

(4) Members upon reaching age 18 automatically become adult members with all rights of adult members by complying with all requirements of adult membership.

(5) Adult members whose life insurance certificates have matured based on the applicable mortality table shall remain members of SPJST, with all the privileges and benefits of active members and shall not be required to pay any dues or assessments.

(6) An adult member suspended for non-payment of premiums, dues, and assessments, if any, loses his/her right to vote and is not eligible for election.

(7) Adult members are eligible for election as officers of local lodges, in the district, delegates, as committee members, and as members of the Board of Directors.

(b) Youth Member. SPJST may insure the lives of children. Such insurance shall be issued upon the application of an authorized adult (who shall not by reason thereof, nor by reason of any benefit providing for waiver of premium, become a member) who has an insurable interest. At age 18, the insured youth shall become an adult member.

(c) Associate Member. An associate member is a person who holds an SPJST certificate purchased through an outside agency under contract with SPJST selling group insurance. This member will not have SPJST or local lodge privileges, benefits, or voting rights.

(d) Social Member.

(1) A social member is a member whom a lodge votes in as a social member, who completes a social membership form, and who pays his/her membership dues and assessments, if any, to the local lodge.

(2) A social member is not eligible to vote or hold office; however, a social member may, at the discretion of the local lodge, serve on an appointed committee with the inherent right to deliberate and vote on that committee.

(3) A social member must pay for the Vestnik if he/she desires to receive it.

(4) An uninsurable child whose parent or guardian is a member can participate in the youth program.

**Section 10. Membership Guidelines.** All members shall guide themselves according to the charter, constitution, and by-laws of SPJST; otherwise, they are subject to penalty as defined by these by-laws and as prescribed by the Board of Directors for violation and non-observance of them. No subordinate body, nor any of its subordinate officers or members, shall have

the power or authority to waive any of the provisions of the by-laws of SPJST. Such provisions shall be binding on SPJST and every member and beneficiary of a member.

**Section 11. Induction of New Members.** Induction of new members may be conducted at a time and date convenient to the local lodge and the new members.

## **ARTICLE VI CONVENTION**

**Section 12. Purpose.** The Supreme Governing Body of SPJST shall be known as the Convention and shall be composed of delegates elected according to the rules of these by-laws. The Convention is the sole judge of eligibility and qualifications of all delegates and substitutes. The Convention has the power to:

- (a) Adopt, amend, and supplement the by-laws of SPJST.
- (b) Receive and act on all reports filed by the Executive Committee and the Governance Committee, which must be published in the Vestnik 30 days before the Convention. The Board of Directors may make one combined report if they so agree.
- (c) Elect District Directors, Alternate District Directors, Governance Committee members, and Alternate Governance Committee members.
- (d) Determine compensation of District Directors.

**Section 13. Regular Conventions.** Regular Conventions are held once every four years. The date and location of the next regular Convention shall be set by the Board of Directors and published in the Vestnik no later than January of the Convention year.

**Section 14. Special Conventions.** Special Conventions may be held upon a two-thirds vote of all members of the Board of Directors for an urgent matter concerning the welfare of SPJST. Such Special Conventions shall be held at such time and place as may be determined by the Board of Directors. No business may be taken up at such Special Convention except for the purpose for which called, which purpose shall be clearly and distinctly set forth in the call for the Special Convention. A call for a Special Convention shall be disseminated electronically at least 30 days prior to the convening of such Special Convention, addressed to each delegate at his/her last known email address as shown by the records of SPJST. At the Special Convention, delegates from each lodge shall have the same number of votes as at the preceding Regular Convention.

**Section 15. Quorum.** Two-thirds of delegates seated at any Regular or Special Convention shall constitute a quorum for the transaction of all business.

**Section 16. Ballot In Lieu of Special Convention.** In lieu of calling a special Convention, the Board of Directors may send a ballot to all delegates by mail or by email. The ballot may include one or more resolutions that could be considered and adopted at a special Convention. The proposed resolution or resolutions must be mailed or emailed to the delegates at least 30 days before the ballots must be returned. Delegates

from each lodge shall have the same number of votes as at the preceding regular Convention. A resolution shall be deemed adopted upon receipt of signed ballots with votes equal to the number of votes that would have been needed to adopt the resolution at a special Convention at which all delegates were present.

**Section 17. Order.** All proceedings of the Convention will be conducted in the following order, unless decided otherwise by the Board of Directors and approved by the delegates:

- (a) The President/CEO convenes the Convention.
- (b) Credentials report. A list of names of elected delegates and number of votes each lodge and delegate is entitled to will be made available to delegates at the beginning of the Convention by the Board of Directors.
- (c) Elect Convention officers (Chair and Vice Chair) from among the delegates.
- (d) Reports by Governance Committee and Executive Committee.
- (e) Deliberate by-laws.
- (f) Miscellaneous business.
- (g) District caucuses. The purpose of the seven separate district caucuses is to nominate and elect a District Director, Alternate District Director, Governance Committee member, and Alternate

Governance Committee member. Each delegate will vote in accordance with Section 31 (Votes) of the by-laws. The District Director will act as temporary chair of the district caucus until delegates elect a permanent chair.

(h) Install District Directors and Governance Committee members.

(i) Adjourn Convention.

**Section 18. Convention Officers.** The President/CEO shall convene the Convention and shall preside until a Convention Chair is elected. The President/CEO shall appoint the secretaries of the Convention. The Convention Chair and Convention Vice Chair are the Convention officers.

**Section 19. Proceedings.** All proceedings in the Convention, unless such rules are not covered by the by-laws, are conducted in accordance with the current edition of “Robert’s Rules of Order.”

**Section 20. Discussions.** All Executive Committee members and Governance Committee members may participate in the discussions at the Convention, but they do not have the right to make motions, vote, or nominate unless they are delegates.

(a) No concern can be discussed in the Convention unless it was first presented to the Governance Committee and acted upon by that committee.

(b) No motion to change by-laws or amendment thereto can be presented to the Convention unless the motion or amendment thereto has been dis-

cussed and approved by a lodge or the Board of Directors and submitted to any member of the Governance Committee not later than 60 days prior to the Convention so that the Governance Committee could study such motion or amendment and deliver its opinion. Recommendations must be submitted in the English language. The Governance Committee secretary shall forward all signed by-law recommendations to the Vestnik for publication. Rejected recommendations can be presented by a delegate of the representative body in the Convention during deliberation of the respective article.

**Section 21. Voting.** The enactment, deletion, or amendment to a by-law requires a two-thirds vote by authorized votes of delegates present. Unless otherwise required by law or the laws of SPJST, all other matters are decided by a majority of authorized votes of the delegates present. Delegates shall vote by voice, show of hands, standing, roll call, or secret ballot as designated by the Convention Chair. No delegate shall vote by proxy.

**Section 22. Minutes.** The Convention minutes should accurately summarize what was discussed and actions taken by the Convention. The minutes should be accurate, concise, objective, and to the point, but written in such a way that they do not leave out critical information and are easily understood and usable in the future. Minutes may include brief summaries of the discussions but should reflect a record of the exact wording of motions, amendments, and resolutions as well as who made the motions, who seconded them, and the outcome of any votes taken. The minutes shall be kept and approved in the English language. A copy

of the Convention minutes shall be sent to each local lodge secretary, all Convention delegates, Governance Committee members, and/or members, upon request.

## **ARTICLE VII**

### **GOVERNANCE COMMITTEE**

**Section 23. Composition.** The Governance Committee shall be comprised of seven elected members (one from each of the seven districts).

**Section 24. Eligibility.** Executive Committee members, their spouses, and SPJST Home Office employees are not eligible for membership on the Governance Committee, but they are free to attend the Governance Committee meetings, make suggestions and recommendations, and assist the Governance Committee.

(a) Governance Committee members are expected to attend their respective district meetings. If two meetings are missed during a four-year period, the alternate will be appointed to complete the remainder of the term.

**Section 25. Duties.** The Governance Committee shall have the following duties:

(a) Review submitted recommendations for changes to the by-laws. The Governance Committee secretary shall forward all signed by-law recommendations to the Vestnik for publication. The Governance Committee will consider, arrange, and recommend motions for amending by-laws of the succeeding Convention; eliminate



conflicts in the by-laws; codify and rearrange the by-laws; and deliberate and decide on all recommendations for amending the by-laws and, if necessary, prepare and present its own recommendations for changes to any articles. The Governance Committee will submit recommendations to the Vestnik enabling publishing 30 days prior to the Convention. Immediately following the Convention, the Governance Committee will arrange and compile the newly-adopted by-laws with all changes and amendments.

(b) Review all compensation and financial benefits of District Directors. Gather relevant information and recommendations regarding reasonable compensation for District Directors and present a proposal to the Convention. Any increase in compensation must be approved by the delegates of the Convention.

(c) Recommend to the Convention compensation of District Directors. The Committee's recommendations shall be published in the Vestnik 30 days prior to the Convention.

(d) Assist the President/CEO in the tabulation of votes during the election of the Convention Chair and Convention Vice Chair.

(e) Assist the Convention Chair in the tabulation of votes of matters brought before the Convention.

(f) Serve as the Grievance Committee at the Convention. Help resolve disputes at the Convention.

**Section 26. Committee Chair.** The Governance Committee shall convene immediately following the Convention and elect a Committee Chair, Vice Chair, and Secretary from its members.

**Section 27. Meetings.** During the Convention year, the Governance Committee shall hold a minimum of two meetings, one at least six months and one immediately prior to the start of the Convention. The day and time shall be designated by the Governance Committee Chair after consultation with Governance Committee members. The Governance Committee Chair may call special meetings and shall call a special meeting upon written request of at least three Governance Committee members. Any meeting of SPJST at which written minutes are kept, except the Convention, may meet by telephone conference or other means of communication that allows all participants to simultaneously communicate with each other. All non-electronic meetings should be at the Home Office.

**Section 28. Quorum and Voting.** A majority of the Governance Committee shall constitute a quorum for the transaction of Governance Committee business except that a smaller number may adjourn a meeting for lack of a quorum. The Committee shall act by a majority of Committee members present.

## **ARTICLE VIII LODGE DELEGATE ELECTIONS**

**Section 29. Election of Delegates.** Delegates and substitute delegates shall be elected no later than January at the local lodge meeting that precedes the Con-

vention for the term from one Convention to the next Convention.

**Section 30.** Number of Delegates per Lodge. Every lodge has the right to elect delegates in accordance with its membership.

(a) The number of delegates a lodge may send to the Convention shall be based on the following scale:

(1) One delegate for lodges with 20 to 200 adult members;

(2) One additional delegate for each additional 200 adult members.

(b) Changes in Lodge Membership. If a lodge obtains enough new active members to qualify for an additional delegate to the Convention in the time period between the annual meeting and 60 days before the Convention, then that lodge shall send the substitute delegate or delegates with the most votes. A lodge losing the required number of members between such time shall not lose the delegate or delegates.

(c) New Lodges. A lodge chartered during the Convention year may elect its delegates and its substitutes any time before the convening of the Convention. A lodge chartered, merged, or reorganized less than three years preceding the election of its delegates may elect its delegates and substitutes from among those members having attended a majority of the regular meetings from the date of its charter, merger, or reorganization.

**Section 31. Votes.** A lodge represented by its delegate or delegates is entitled to one vote for every adult member. Delegates from each lodge shall divide their lodge's votes equally among themselves. In the event the votes do not divide equally among the lodge's delegates, the extra votes shall be assigned proportionally to all of the lodge's delegates. (Example, a lodge with 4 delegates and 405 votes would result in each delegate having 101.25 votes).

**Section 32. Substitute Delegates.** Substitute delegates shall be elected according to the procedures for election of delegates. No more than 10 substitute delegates shall be elected per lodge. A substitute delegate shall attend the Convention if one of the elected delegates cannot attend. The substitute delegate or delegates shall be chosen to fill vacancies according to which substitute delegate received the most votes at the annual lodge meeting.

**Section 33. Delegate Election Requirements.**

- (a) Qualifies as an adult member.
- (b) Is present during the election or is absent due to unavoidable circumstances.
- (c) Attended at least 50 percent of the regular meetings of the lodge during one year preceding the Convention year. Lodges meeting monthly, 50 percent is six meetings; lodges meeting bi-monthly, 50 percent is three meetings; and lodges meeting quarterly, 50 percent is two meetings. (When there is a conflict with the date of their local lodge meeting, Executive Committee members, district fraternal activities coordinators, on

official business, may count as attending a regular meeting for this purpose. The state fraternal director, district youth counselors and their assistants, on official business, may count as attending youth club meetings. Notification must be given to the local lodge secretary prior to the event with written confirmation made by the party within two weeks following the event.) Newly transferred members' attendance record of the previous lodge shall be accepted.

(d) Is a citizen of the United States of America at the time of election.

(e) Is not an officer or director of another fraternal life insurance society.

(f) Any member who desires to serve as a delegate who is an underwriter of any insurance company or an agent (underwriter) of any other fraternal life insurance society may be elected but must first disclose this information to the local lodge members prior to the election.

**Section 34. Term.** Delegates and substitute delegates shall hold office until their successors are seated at the following Convention. The delegates and substitutes to the most recent regular Convention shall be the delegates and substitutes to any special Convention or for any ballot in lieu of a special Convention. If a delegate is not in the Convention by the second day, he/she will not be seated unless he/she has a good excuse as decided by the majority of the seated delegates, such as serious illness/emergency or death in immediate family. In the event of the merger of two or more lodges following the Convention, those del-

legates of each lodge shall be entitled to the same number of votes they had at the preceding Convention.

### **Section 35. Delegate Selection Procedure.**

(a) When a lodge is entitled to two or more delegates, the nomination and election of delegates is made by whatever procedure is deemed most convenient and expedient by the local lodge. If a nominating committee is used, nominations from the floor must be permitted. In the election process, a secret ballot may be used. Ballots designating more nominees than permitted are void and not counted. The nominees receiving the highest number of votes are elected.

(b) The result of the election of delegates and substitutes shall be forwarded to the Chief Financial Officer within 30 days after the election. Failure to do so will nullify the lodge's delegates.

(c) The Chief Financial Officer forwards to the local lodge secretary the required forms in duplicate that must be completed by the secretary and signed by the president and secretary of the local lodge, to certify the election of the delegate and substitute(s). After completion, one form must immediately be forwarded to the Chief Financial Officer. The elected delegate must present the second form to the Credentials Committee, an ad hoc committee of the Board of Directors comprised of Convention delegates, during Convention registration. The credential form must contain:

- (1) A statement of the number of regular meetings held by the lodge the delegate is representing.
- (2) The number of regular meetings attended by the delegate in the year preceding the Convention.
- (3) The mileage from the delegate's home to the Convention site and return.
- (d) Lodges failing to comply with all required lodge duties and obligations within 60 days prior to the Convention will lose their right to representation at the Convention.
- (e) In the event of a delegate's death, incapacity, or transfer to another lodge, he/she shall automatically be replaced by the first substitute of such lodge.

## **ARTICLE IX**

### **BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE**

**Section 36. Composition of Board of Directors.** The Board of Directors shall be composed of the seven elected District Directors (one from each of the seven districts). The Board of Directors shall have the authority to provide rules and regulations for the extension and development of SPJST and shall have all other necessary and incidental powers to carry out the objectives of SPJST and such other duties as prescribed by these by-laws.

**Section 37. Composition of Executive Committee.**  
The Executive Committee shall be composed of the Board of Directors (seven District Directors) and the Executive Officers (President/CEO, Vice President of Sales and Marketing, Vice President of Communications, Chief Financial Officer, and Controller).

**Section 38. Conflicts of Interest.**

(a) No agent of any other competitive life insurance company, or any officer or director of any similar fraternal order is eligible for membership on the Executive Committee.

(b) No Executive Committee member shall receive commission for the sale of property belonging to SPJST. No Executive Committee member can buy property from SPJST. No Executive Committee member shall be personally liable to SPJST or its members for monetary damages for any act or omission in the Executive Officer's or District Director's capacity as an Executive Officer or District Director except in the following instances:

(1) For any breach of the Executive Officer's or District Director's duty of loyalty to SPJST or its members;

(2) For any act or omission not in good faith or which involves intentional misconduct or knowing violation of the law;

(3) For any transaction from which the Executive Officer or District Director received a benefit deemed improper by the Board of



Directors, whether or not the benefit resulted from action taken within the scope of the Executive Officer's or District Director's position;

(4) For any act or omission for which the liability of an Executive Officer or District Director is expressly provided for by statute or payment of a dividend.

(c) No person can be an employee of the SPJST Home Office if he/she is related to any member of the Executive Committee within the third degree, as construed under Section 573 of the Government Code of the Texas Revised Civil Statutes.

**Section 39. Duties.** The affairs of SPJST shall be managed under the direction of the Board of Directors between regular meetings of the Convention. The Board of Directors has the duty and authority to:

(a) Provide leadership for all SPJST members and others.

(b) Promote fraternalism between lodges.

(c) Learn and promote Czech heritage and language and the history of SPJST.

(d) Employ legal counsel on an as-needed basis.

(e) Provide sufficient insurance coverage for the protection of SPJST.

- (f) Collaborate with Executive Officers and conduct a strategic planning process and develop an annual business plan with clearly defined qualitative and quantitative goals.
- (g) Adopt formulas to determine the amount of refund to lodges based on premium income from members and other incentive factors after a review of the annual statement and consultation with the actuary.
- (h) Adopt such additional plans and tables of insurance including annuities and universal life products, which appear to be beneficial, according to fraternal insurance laws of the State of Texas.
- (i) Ratify compensation schedule and incentive programs for sales agents.
- (j) Fill vacancies for the President/CEO.
- (k) Employ a certified public accountant, upon recommendation of the Chief Financial Officer, to prepare a detailed report concerning the condition of SPJST.
- (l) Prepare a report of its progress/accomplishments since the preceding Convention. Each Executive Officer must submit a report to be printed in the Vestnik at least 30 days prior to the Convention. The Board of Directors may submit one combined report, if they so agree.
- (m) Investigate all irregularities, disorders, and incompetence in office of the President/CEO or

any District Director. Following a thorough investigation, including a hearing of such charges and 20 days advance notice to the accused, the Board of Directors may discharge the accused from his/her office by a two-thirds vote.

(n) Suspend local lodges for not performing their local lodge duties and for irregularities deemed by the Board of Directors to be detrimental to SPJST. In the event of suspension, and until the suspension is lifted by the Board of Directors, one or more of the following shall be in effect:

(1) The loss of representation at regular and special Conventions of SPJST.

(2) All official lodge records and papers shall be relinquished to the Board of Directors for examination.

(3) The name and number of the local lodge will be dropped from the roster of the lodges.

(4) The loss of representation at district meetings and other functions of SPJST.

(5) The loss of representation at all youth functions on the district and state levels.

(6) No new applications for membership will be accepted.

(7) No transfers into the lodge will be accepted.

- (8) All meetings and activities normally carried on by such lodge will cease.
- (9) No local lodge dues will be collected.
- (o) Suspend or discharge local lodge officers and committees for irregularities in office detrimental to SPJST on charges filed by members of the local lodge or the Board of Directors, and after 20 days notice to the accused and due hearing thereon, by a vote of two-thirds of the Board of Directors.
- (p) Select and give discretionary authority to an investment manager on recommendation of the Chief Financial Officer and ratify the sale and purchase of bonds and stocks by a majority vote.
- (q) Ratify the operating budget of the Home Office.
- (r) Assign additional duties to the President/CEO as needed.
- (s) Review proposed agenda items and agenda for the Convention. The agenda will be constructed by the Executive Officers. All proposed agenda items must be submitted to the Executive Officers at least 60 days prior to the start of the Convention to be included in the Convention agenda.
- (t) Review resolutions submitted for consideration of the Convention and make recommendations to the Convention regarding such resolutions. Any proposed resolution must be submitted to the Executive Officers at least 30

days prior to the start of the Convention to be considered by the Convention.

(u) Examine and pass upon the credentials of the delegates to the Convention.

(v) Review the financial standing of the Society annually and ensure that a financial report is prepared and presented to the Convention.

(w) Present a report at district meetings.

(x) Participate in lodge and district events to inform the membership on matters pertaining to SPJST.

(y) Ratify hiring and compensation of all Executive Officers.

**Section 40. Chair of the Board of Directors.** The Board of Directors shall elect a chair and vice chair for a term of one year from among its seven elected District Directors. The chair shall preside at all meetings of the Board of Directors and perform such other duties as may be designated by the Board of Directors. The vice chair will preside in the absence of the chair.

**Section 41. Regular Meetings.** The Board of Directors shall meet quarterly during the third week or weekend in January, April, July, and October. In case of necessity, the President/CEO, in conference with the Chair of the Board of Directors, has the right to change the date of the meeting. Meetings are open to SPJST members except during executive sessions concerning personnel, disciplinary matters, litigation, or threatened litigation.

**Section 42. Special Meetings.** Special meetings of the Board of Directors may be called by the President/CEO or the Chair of the Board of Directors, in case of necessity. In the event that five members of the Board of Directors determine a necessity for a special meeting, and the President/CEO refuses to call such a meeting, the five members may, by written notice, call all members of the Board of Directors to such a special meeting and hold the meeting. Five members of the Board of Directors will constitute a quorum at special meetings.

**Section 43. Location.** Meetings of the Board of Directors shall be held at the Home Office, unless the President/CEO or the Board of Directors designate an alternative location.

**Section 44. Quorum and Voting.** Five members of the Board of Directors shall constitute a quorum. The act of a majority of the members present at a meeting at which quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Charter of Incorporation, by-laws, or applicable law.

**Section 45. Electronic Communication.** The Executive Committee and any committee or sub-committee of the Board of Directors, or any other meeting of SPJST at which written minutes are kept, except the Convention, may meet by telephone conference, on-line, or other means of communication that allows all participants to simultaneously communicate with each other.

**Section 46. Action Without Meeting.** Any action required or permitted to be taken by the Board of Di-

rectors or any committee or sub-committee of the Board of Directors may be taken without a meeting by written consent of all of its members then in service. A written consent under this provision shall have the same force and effect as a vote taken at a meeting.

**Section 47. Minutes.** The Board of Directors will designate a Home Office staff member to record minutes of all transactions at all open Board of Directors' meetings and special meetings. The Chief Financial Officer will maintain minutes and exhibits of the Board of Directors' meetings and Investment Committee meetings. Written consent may be given electronically.

(a) The minutes will be printed in the Vestnik within 30 days after each regular or special Board of Directors' meeting.

(b) The minutes will include each item voted on at the meeting with a record of how each member of the Board of Directors voted on each issue. Matters concerning personnel, disciplinary matters, litigation, threatened litigation, and marketing plans will not be included.

**Section 48. Committee Establishment.** The Board of Directors may appoint committees to have such authority as the Board of Directors may delegate. Each committee shall consist of three or more Executive Committee members. Additional committee members may be appointed by the Board of Directors. A majority of the members of each committee shall constitute a quorum for the transaction of all committee business.

**Section 49. Audit Committee.** The Audit Committee shall be responsible for the oversight of the auditors of the Society, the audit of financial statements of the Society, review of investment transactions and performance of the investment portfolio, operational procedures, and such other responsibilities designated to it from time to time.

**Section 50. Communications Committee.** The Communications Committee shall be responsible for determining what material proposed to be included in the Vestnik may be harmful to and against the best interests of SPJST.

**Section 51. Vacancy.** In the event of a vacancy by the Vice President of Sales and Marketing, Vice President of Communications, Chief Financial Officer, or Controller, such vacancy will be filled by appointment by the President/CEO with ratification by the Board of Directors.

(a) In the event of a vacancy by the President/CEO, such vacancy will be filled by the Board of Directors.

(b) In the event of a vacancy by a District Director, the position shall be filled by the Alternate District Director.

(c) In the event of a vacancy by an Alternate District Director who succeeded the District Director, the District President shall call a meeting of the delegates of the previous regular Convention to a place centrally located for the purpose of electing a new District Director and Alternate District Director for the term to the next Convention. This election shall be carried out within 30 days. The



results of the election shall be announced to the Executive Committee without delay.

**Section 52. Removal of President/CEO or District Directors.**

(a) The President/CEO may be removed “for cause” by a two-thirds affirmative vote of the Board of Directors at a meeting called for that purpose. A District Director may be removed from the Board of Directors “for cause” by a two-thirds affirmative vote of the Board of Directors at a meeting called for that purpose. The member of the Board of Directors whose status is at issue shall not be entitled to vote in the matter. “For cause,” for purposes of this section, shall include:

- (1) Inability or failure to perform the duties and responsibilities of an Executive Committee member;
- (2) Engaging in conduct unbecoming of an Executive Committee member;
- (3) Absence from two Board of Directors’ meetings during the course of a calendar year, without good cause;
- (4) Breaching a fiduciary duty owed to SPJST, its members, or beneficiaries;
- (5) Materially violating these by-laws, the Charter of Incorporation, or any code of ethics or conflict of interest policy adopted by SPJST; or
- (6) Ceasing to be a member of SPJST.

(b) For the President/CEO, a determination of cause shall be made within the reasonable discretion of the Board of Directors. For a District Director, a determination of cause shall be made within the reasonable discretion of the Board of Directors, in consultation with the District President.

(c) The President/CEO or District Director, upon termination of his/her tenure, must deliver to their successors all property belonging to SPJST.

## **ARTICLE X**

### **EXECUTIVE OFFICERS**

**Section 53. Officer Requirements.** To be an Executive Officer, an individual must meet the following requirements:

(a) Be a member of SPJST for at least one year preceding the appointment. Individuals who do not meet this one-year requirement may be hired; however, they shall not serve as an Executive Officer until they have been a member for one year.

(b) Be a citizen of the United States of America.

(c) Must have at least \$50,000 of SPJST life insurance or if uninsurable, then an SPJST annuity in at least the amount of \$20,000.

(d) Appreciate and promote the Czech language and culture and fluently speak the English language.

(e) Any other requirements that the Board of Directors may prescribe that take into consideration

the nature of the position and magnitude of the business and affairs of SPJST.

(f) No Executive Officer can hold more than one office at a time, and no Executive Officer can receive more than one compensation at one time.

(g) No Executive Officer can receive commissions for services as a sales agent. The spouse of an Executive Officer can receive commissions for services as a sales agent at a reduced rate as determined by the commission structure for part-time agents.

(h) No Executive Officer may hold any position in the districts or lodges.

#### **Section 54. General Duties.**

(a) Coordinate and conduct workshops for the training of local lodge officers in the first quarter of each year.

(b) Submit a quarterly report to the Board of Directors of all services performed prior to each board meeting.

(c) Submit reports regularly to the Vestnik.

**Section 55. President/CEO.** The President/CEO shall be appointed by the Board of Directors. The President/CEO shall serve as the Chief Executive Officer of the Society, shall have general supervision and direction of the day-to-day business and affairs of the Society, and shall perform all duties incumbent to the position and such other duties as may be pre-

scribed by the Board of Directors from time to time. The President/CEO is the official head of SPJST and oversees all departments. The President/CEO is an ex officio member of all appointed committees within the Board of Directors. Subject to such rules and policies as may be prescribed by the Board of Directors, the President/CEO shall have authority to appoint and terminate such other officers, agents, and employees and to delegate authority to them with ratification of the Board of Directors upon appointment and/or termination of an Executive Officer.

**Section 56. Reasonable Compensation.** Reasonable compensation of the President/CEO shall be determined by the Board of Directors. Reasonable compensation of all Executive Officers other than the President/CEO shall be recommended by the President/CEO and approved by the Board of Directors. In its determination of reasonable compensation, the Board of Directors or a committee delegated authority for officer compensation shall take into account, among others, the services rendered by the officer, the performance of the officer, the performance of the Society, market and industry standards, and compensation paid to officers of similarly situated fraternal benefit societies.

## **ARTICLE XI ADVISORY COUNCIL**

**Section 57.** Convention delegates shall serve as members of the Advisory Council between conventions. Advisory Council members shall serve on a volunteer basis and meet annually each spring with the Executive Committee with the objective of keeping

the Advisory Council members engaged and responsive in matters relating to the growth and development of SPJST.

## **ARTICLE XII**

### **DISTRICT DIRECTORS**

**Section 58.** District Director Qualifications. These qualifications shall reflect the complexity and magnitude of the business and affairs of SPJST and shall therefore include expertise in corporate governance, financial accounting, and insurance, among others.

(a) District Directors are accountable to members and owe duties of loyalty and care to SPJST. District Directors' performance should be evaluated through SPJST's long-term performance, financial and otherwise.

(b) District Directors must have high integrity and the appropriate competence to represent the interests of all members in achieving the long-term success of SPJST. Ideally, in order to facilitate engaged and informed oversight of SPJST and the performance of management, a subset of District Directors will have professional experiences directly related to SPJST. At the same time, however, it is important to recognize that some of the best ideas, insights, and contributions can come from District Directors whose professional experiences are not directly related to SPJST.

(c) District Directors should be business savvy and member-oriented, and have a genuine passion for SPJST.

(d) District Directors should have complementary and diverse skill sets, backgrounds, and experiences.

(e) District Directors need to commit substantial time and energy to the role.

**Section 59. District Director Requirements.** To be a District Director, an individual must meet the following requirements:

(a) Be a citizen of the United States of America at the time of election.

(b) Be an active member for at least one year prior to the time of election.

(c) Have SPJST life insurance in force or, if uninsurable, have an SPJST annuity.

(d) Meet the lodge attendance requirements for delegates.

(e) Appreciate and promote the Czech language and culture and fluently speak the English language.

(f) Attend the Convention or have an excuse for not being present that is acceptable by two-thirds of the delegates.

(g) Be capable of assuming the responsibilities as outlined herein and as established by SPJST from time to time.

(h) Reside within the respective district.

(i) Candidates seeking election for one of the seven elected District Director positions must state their intention to seek election and submit information to the Vestnik regarding their qualifications for a District Director position in accordance with the procedures established and published by the Board of Directors at least 120 days prior to the Convention. The Board of Directors shall help identify and encourage well qualified candidates from each District to seek election as a District Director and Alternate District Director. The Board of Directors shall review candidate information and may gather additional background information and shall submit the slate of candidates and qualification information to an ad-hoc Credentials Committee comprised of Convention delegates who shall review and provide the slate of candidates and information regarding qualifications to the delegates at the Convention.

**Section 60.** Term. The terms of the elected District Directors shall be for four years and commence upon the close of the Convention during which they are elected and terminate upon the close of the following Convention. No District Director can hold any position in the SPJST Home Office or district.

**Section 61.** General Duties. District Directors will:

- (a) Oversee the management and progress of SPJST.
- (b) Oversee the compliance of all by-laws and decisions of the Conventions and the Board of Directors.

## ARTICLE XIII

### VĚSTNÍK – OFFICIAL PUBLICATION

**Section 62.** Official Publication *Vestnik*. SPJST shall have an official publication. The name of the official publication shall be *Vestnik*. The *Vestnik* will be published twice monthly and in color.

**Section 63.** Subscriptions. A *Vestnik* shall be sent to SPJST members as shown on the records of SPJST, except that if SPJST records show that two or more members have the same mailing address, an official publication mailed to one of them is deemed mailed to all of them at the same address unless a separate copy is requested. Names and addresses of members requesting the *Vestnik* must be furnished to the Home Office. Schools, colleges, and universities offering and instructing the Czech language for credit will receive the *Vestnik* free of charge upon request.

## ARTICLE XIV

### DISTRICTS

**Section 64.** Composition. Districts are subordinate bodies under the jurisdiction of the Board of Directors. SPJST is divided into seven districts across the state of Texas in which lodges are located. The districts are composed of the following counties:

(a) DISTRICT ONE: Austin, Bastrop (except Lodge 18), Brazos, Burleson, Caldwell, Cherokee, Fayette, Grimes, Houston, Lee, Leon, Madison, Panola, Robertson, Rusk, Trinity, Walker, and Washington.



(b) DISTRICT TWO: Bell, Blanco, Burnet, Coryell, Falls, Gillespie, Kendall, Kerr, Lampasas, Llano, McCulloch, Mason, Menard, Milam, San Saba, Travis, Williamson, Lodge 18, Elgin (located in Bastrop County), and Lodge 200, Bruceville-Eddy (located in McLennan County).

(c) DISTRICT THREE: Anderson, Bosque, Bowie, Camp, Cass, Clay, Collin, Cooke, Dallas, Delta, Denton, Ellis, Erath, Fannin, Franklin, Freestone, Grayson, Gregg, Hamilton, Harrison, Henderson, Hill, Hood, Hopkins, Hunt, Jack, Johnson, Kaufman, Lamar, Limestone, McLennan (except Lodge 200, Bruceville-Eddy), Marion, Montague, Morris, Navarro, Palo Pinto, Parker, Rains, Red River, Rockwall, Smith, Somervell, Tarrant, Titus, Upshur, Van Zandt, Wise, and Wood.

(d) DISTRICT FOUR: Andrews, Archer, Armstrong, Bailey, Baylor, Borden, Brewster, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comanche, Concho, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dawson, Deaf Smith, Dickens, Donley, Eastland, Ector, El Paso, Fisher, Floyd, Foard, Gains, Garza, Glasscock, Gray, Hale, Hall, Hansford, Hardeman, Hartley, Haskell, Hemphill, Hockley, Howard, Hudspeth, Hutchinson, Irion, Jeff Davis, Jones, Kent, Kimble, King, Knox, Lamb, Lipscomb, Loving, Lubbock, Lynn, Martin, Midland, Mills, Mitchell, Moore, Motley, Nolan, Ochiltree, Oldham, Parmer, Potter, Pecos, Presidio, Randall, Reagan, Reeves, Roberts, Runnels, Schleicher, Scurry,

Shackelford, Sherman, Sterling, Stephens, Stonewall, Sutton, Swisher, Taylor, Terrell, Terry, Throckmorton, Tom Green, Upton, Val Verde, Ward, Wheeler, Wichita, Wilbarger, Winkler, Yoakum, and Young.

(e) DISTRICT FIVE: Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Tyler, and Waller.

(f) DISTRICT SIX: Aransas, Calhoun, Colorado, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Matagorda, Refugio, Victoria, and Wharton.

(g) DISTRICT SEVEN: Atascosa, Bandera, Bee, Bexar, Brooks, Cameron, Comal, Dimmit, Duval, Edwards, Frio, Guadalupe, Hays, Hidalgo, Jim Hogg, Jim Wells, Karnes, Kenedy, Kinney, Kleberg, La Salle, Live Oak, Maverick, McMullen, Medina, Nueces, Real, San Patricio, Starr, Uvalde, Webb, Willacy, Wilson, Zapata, and Zavala.

**Section 65. District Meetings.** Districts have the right to assemble for consultation, information, and administration within the limits of the by-laws of SPJST.

(a) Members of every district must hold an annual business meeting each year, which may be combined with social and youth activities.

(b) Every district formulates its own rules and regulations that must not conflict with the by-laws of SPJST. Any time a district desires to adopt a new activity program, which is not provided for in SPJST's by-laws, it will present its proposal to the District Director, who in turn, will present it to the Board of Directors for approval.

(c) All deliberations and minutes must be conducted in the English language.

**Section 66. District Officers.** The following district officers shall be elected during the annual meeting: president; first vice president (to serve as fraternal activities coordinator for the district unless the district elects a fraternal activities coordinator as a separate position); second vice president (optional); secretary; treasurer; fraternal activities coordinator (optional); reporter (optional); district youth counselor; assistant youth counselor (where applicable); and flag bearer

**Section 67. District Audit Committee.** The district must elect or appoint an audit committee, consisting of three or more members. If appointed, the president appoints the majority of the committee, and the vice president appoints the minority. This is to be done in the annual meeting. The duties of the audit committee are to audit at least once a year the income and expense of the operation of the district and the district youth. This information will be reported to the district.

**Section 68. District Meeting Order of Business.**

- (a) Convening of the meeting
- (b) Pledge of Allegiance
- (c) Welcome by host lodge president

- (d) Roll call of officers
- (e) Roll call of lodges
- (f) Recognition of guests
- (g) Reading of minutes
- (h) Tribute to departed members
- (i) Reading of 50- and 75-year and Age 96 members
- (j) Treasurer's report
- (k) District Youth Counselor's report
- (l) Governance Committee report
- (m) Executive Officer's report
- (n) District Director's report
- (o) Old business
- (p) New business
- (q) Audit committee report
- (r) Election of district officers
- (s) Selection of site, time, and date of annual meeting
- (t) Adjournment of the meeting

## **ARTICLE XV**

### **LOCAL LODGES**

**Section 69. Charter.** Lodges and youth clubs are subordinate bodies under the jurisdiction of the Board of Directors. Individual local lodges must receive their charters from the Board of Directors. Lodges are largely self-governing organizations but shall comply with these by-laws, the current edition of "Robert's Rules of Order," Local Lodge Officers' Handbook, and all other requirements adopted by the Board of Directors. A local lodge may, upon adoption of a proper resolution by its membership, incorporate for fraternal, benevolent, and charitable purposes and make contracts, purchases, mortgages, lease and hold

real and personal property necessary to carry out its purposes under the Texas Non-Profit Corporation Act.

**Section 70. Rules and Regulations.** Lodges shall have the right to make and adopt rules and regulations in conformity with the Charter of Incorporation and by-laws of SPJST and not in conflict with any regulations or requirements of the Board of Directors. Such laws, alterations, or amendments are to take effect only upon the written consent of the Board of Directors. Every lodge is authorized, at its will, to grant sick benefits as often as it sees fit to do in accordance with its own rules and regulations.

**Section 71. Charter Withdrawal.** The Board of Directors may withdraw the charter of any lodge in the event the Board of Directors determines that withdrawal is in the best interest of SPJST. The Board of Directors shall provide for the disposition of property of lodges that have been suspended or dissolved in a manner consistent with the purposes of lodges.

**Section 72. New Lodges.** A newly established lodge is free to adopt any name with the approval of the Board of Directors. Prior to granting permission to designate a proposed lodge in an area, the Board of Directors shall review and consider the potential need for the area, and the proximity of existing lodges.

- (a) The application for permission to organize a new lodge must be forwarded to the Board of Directors on an appropriate form listing the names of not less than 20 respectable persons who were not members of SPJST at the time of application but who have applied for insurance and have been accepted as members in anticipation of forming a new lodge.

(b) The Board of Directors will then send a representative to the new lodge for the purpose of organizing the lodge, electing officers, and giving basic lodge organizational instruction and general information about SPJST.

(c) After a new lodge has sufficient members, other than transfers and juveniles, it must, after one year of its organization, be formally chartered in accordance with the wishes of the members and the ritual of the Board of Directors.

(d) If 20 members cannot be secured immediately, a proposed lodge can be designated and members can be accumulated over a period of up to 365 days into the proposed lodge in process of being formed. The Board of Directors has the authority to extend this period. If a lodge is not organized within the period authorized, the Board of Directors will assign any members in the proposed lodge to another lodge of the member's choice or to the nearest SPJST lodge.

**Section 73. Mergers.** Two or more lodges wishing to merge or consolidate may do so if notice is given to the membership of both lodges in the Vestnik at least twice before the meeting at which consolidation is to be considered. Each member who has attained the age of 18 years will be mailed a written notice that a merger will be voted upon at such meeting. The merger can become effective only if a majority of the members present of each merging lodge vote in favor of the merger.

**Section 74. Lodge Meetings.** Local lodges must conduct monthly meetings unless they have permis-

sion from the Board of Directors to meet every three months so as to remain in good standing and have authority to elect delegates to the Convention. Meetings are conducted on the day and hour specified by the regulations of the local lodge.

(a) Presence of five members of a local lodge in good standing constitutes a quorum for valid transaction of all business of the local lodge, according to the by-laws and rules.

(b) Discussions of political and religious matters of any kind are not allowed in lodge meetings. The president of the lodge is required to stop such discussions.

(c) Each member has the right to attend meetings of other lodges; however, he/she does not have the right of deliberation, unless called upon by the president.

(d) Officers and committees are installed in the regular meeting following the annual meeting or at a time deemed most expedient to the lodge.

(e) All deliberations and minutes will be conducted in the English language.

**Section 75. Annual Meeting.** The annual meeting is to be held in November or December, or the first meeting thereafter. The election of nominated candidates is held during the annual meeting at which time every member has the right to vote for any other candidate on his/her ballot. Whenever a lodge deems it necessary, with the consent of two-thirds of the members present, it may nominate candidates for officers,

delegates, and committees in the meeting preceding the annual meeting.

**Section 76. Lodge Dues.** Every local lodge determines its own local dues, if any, at annual meetings. Every lodge has the right to levy special dues and assessments, if any, on its members when the regular assessments and funds of the lodge are not sufficient to cover the sick benefits and other purely lodge purposes and requirements. These assessments also apply to social members. Members who have their certificates paid up in due course, according to the terms thereof and who wish to remain active members, must pay the local lodge dues and assessments, if any, as prescribed by the lodge to which they belong, payable annually. Dues are to be paid to the treasurer before or at the end of the regular business meeting.

**Section 77. Suspension of Membership.** Members may be suspended from local lodge membership but will not lose their insurance benefit except for non-payment of premiums or if it occurs within the contestable period of the benefit contract and is for material misrepresentation in the application for membership or insurance.

**Section 78. Lodge Officers.** The following officers will be elected: president, vice president (to serve as fraternal activities coordinator for the lodge unless the lodge elects a fraternal activities coordinator as a separate position), second vice president (optional), secretary, treasurer, fraternal activities coordinator (optional), reporter (optional), and youth leader (optional). Lodges will also elect or appoint a flag bearer (optional), assistant youth leader(s) (optional), and parliamentarian (optional).



(a) The offices of the local lodge president and secretary cannot be combined, but each other office may be combined with other offices.

(b) Election of officers is by ballot whenever more than one candidate is nominated for the same office. A majority of votes decides. Officers are elected for one year or until their successors are elected. All officers elected take office on January 1, except lodges holding annual meetings in January, in which case such officers take office immediately following election.

(c) All outgoing local lodge officers must turn over all records, reference material, booklets, etc., and money to their successor in good order at the end of their term.

**Section 79. Board of Trustees.** In case of necessity and if the size and volume of business warrants it, a lodge may elect a board of trustees. The board of trustees may consist of as many members as the lodge deems expedient. The board of trustees is responsible for all lodge property and gives a current account of that property to the members.

**Section 80. Candidate Eligibility.** In nominating a candidate for local lodge office, only those members who attend the lodge functions and meetings on a regular basis should be elected. A lodge may require in its rules and regulations that a member must have attended a majority of the meetings for the year of the election in order to be elected as an officer. An exception to the attendance requirement exists where an office has not been filled prior to the election. A member on suspension, for whatever reason, will not be

elected to a position of responsibility in the lodge. Any member of the local lodge who desires to serve as a lodge officer who is an underwriter of any insurance company or an agent (underwriter) of any other fraternal life insurance society may be elected but must first disclose this information prior to the election.

**Section 81. Dissolution.** In the event of dissolution of a lodge, after the payment of all legally binding debts, the remaining assets and funds of the lodge, if any, shall never inure to the benefit of any member of the lodge and no funds or property of the lodge shall be distributed among or revert to any member. Nothing herein will prevent transferring such funds or property to another duly chartered SPJST local lodge, or from one duly chartered SPJST lodge merging with another duly chartered SPJST lodge.

(a) No lodge can be dissolved as long as 20 members are still in favor of its further existence.

(b) In case a lodge is dissolved, it is the duty of the last officers to deliver all books and papers belonging to the lodge to the Home Office.

**Section 82. Insurance.** All lodges are encouraged to secure and maintain liability insurance in the minimum amount of \$300,000 and workers' compensation insurance (if the lodge has any employees) and have the carrier/insurer furnish proof of such coverage to the Home Office. This also includes those lodges that do not own their lodge facility.

## ARTICLE XVI BENEFIT CERTIFICATES

**Section 83.** Contract. The certificate of membership and insurance or annuity, together with any riders or endorsements attached to it, the application, the declaration of insurability (if any) signed by the applicant, the Charter of Incorporation, by-laws of SPJST, and Operations Manual and all amendments to them, constitute the entire contract when it is issued. Any subsequent changes, additions or amendments to the Charter of Incorporation or by-laws shall be binding upon the applicant member, certificate owner, beneficiaries and other persons affected, and shall govern and control in all respects, except that no changes shall destroy or diminish benefits promised in the certificate when it was issued.

**Section 84.** Terms. Any person upon whose life a certificate is issued prior to attaining the age of 18 years shall be bound by the terms of the application and certificate and by all the laws and rules of SPJST to the same extent as though the age of 18 years had been attained at the time of application.

**Section 85.** Beneficiaries. Benefit certificates may be made payable to such person or persons, entity, or interest as may be permitted under the rules and regulations of SPJST and applicable state laws.

(a) In the event a named beneficiary predeceases the insured or is otherwise not legally entitled to receive the certificate proceeds, the certificate proceeds shall be paid per stirpes to the family members of the insured in the following succession, as applicable, (1) the surviving spouse; (2)

children; (3) grandchildren; (4) parents; (5) brothers and sisters; (6) grandparents; and (7) estate of the deceased.

(b) A beneficiary shall not have or acquire any claim against SPJST whatsoever until the insured dies unless otherwise provided by law.

(c) If a member moves from his/her last known address and his/her absence cannot be accounted for, for a period of seven years, his/her beneficiary will be paid the proceeds accruing under the certificate (Section 133.001, Civic Practice and Remedies Code or its successor).

**Section 86. Reserves.** If SPJST's reserves for any class of SPJST's benefit certificates becomes impaired, the Board of Directors may require the certificate holders to pay SPJST an equitable proportion of the deficiency as determined by the Board of Directors. The aggregate amount for the impaired reserves may not exceed the total amount required to comply with section 885.408 of the Texas Insurance Code. If such payment is not made, either:

(a) it shall stand as indebtedness against the certificate and draw interest not to exceed the rate specified for certificate loans; or

(b) in lieu of or in combination with, the owner may accept a proportionate reduction in benefits under the certificate.

**Section 87. Certificate Loans.** The policies and procedures for certificate loans shall be governed by the terms of the insurance certificate contract and laws of the State of Texas. Certificate loans are administered

in accordance with policies and procedures determined by the Board of Directors and fully in compliance with the certificate contract.

**Section 88. Assignments.** No assignment of the certificate shall be binding upon SPJST until the original or copy is filed with SPJST at the Home Office and the Home Office shall have made written acknowledgment thereof. SPJST assumes no responsibility for the validity of any assignment and any claim hereunder by an assignee shall always be inferior to those of SPJST to secure any indebtedness against this certificate, whether such indebtedness shall be created before or after any assignment.

**Section 89. Change of Beneficiary.** Any member desiring to change his/her beneficiary may do so.

(a) The request for change of beneficiary must be completed by the member on a form in use by SPJST. Change of beneficiary forms must be filed with SPJST at the Home Office. A person whose designation as a beneficiary is revocable may not have or obtain a vested interest in the proceeds before the certificate pays out.

(b) No beneficiary change shall take effect unless received by the Home Office during the lifetime of the insured. When it is received, any change shall take effect as of the date the request for beneficiary change was signed, as long as the request for change was mailed or actually delivered to the Home Office while the insured was alive. Such beneficiary change shall be null and void where SPJST has made a good faith payment of the proceeds or has taken other action before receiving the change.

## **ARTICLE XVII**

### **ANNUITY CERTIFICATES**

**Section 90.** Eligibility Requirements. SPJST members (life insurance certificate holders) are eligible and may purchase an annuity with a \$100 minimum contribution.

**Section 91.** Exceptions.

(a) Any individual under 70 years of age must apply for an SPJST life insurance certificate, but if rated above standard, the individual may become a member with the purchase of an annuity in an amount of \$1,000 minimum.

(b) Any individual under 70 years of age regardless of insurability may become a member with the purchase of an annuity in an amount of \$5,000 minimum.

(c) Any individual over 70 years of age regardless of insurability may become a member with the purchase of an annuity in an amount of \$1,000 minimum.

## **ARTICLE XVIII**

### **MORTGAGE LOANS**

**Section 92.** The Board of Directors sets policies and procedures on Mortgage Loans.

## **ARTICLE XIX INDEMNIFICATION**

**Section 93.** Indemnification. To the extent permitted by law, SPJST does hereby agree to indemnify and hold harmless each member of the Executive Committee serving SPJST against liability for any claims or causes of action which may be made against any of the above stated individuals, of any kind or nature, for such acts or omissions which would arise in the performance of their duties. SPJST shall agree to pay any damages on behalf of any of the above stated individuals for which they may be held liable. SPJST shall agree to pay any and all expenses that may be incurred by any of the above stated individuals, including, but not limited to payment of reasonable attorney fees for defense of any claims or cause of action made whatsoever.

**Section 94.** Insurance. SPJST shall maintain insurance on each Executive Committee member against liability for acts or omissions in the performance of their duties as determined by the Board of Directors.

## **ARTICLE XX FUNDS AND INVESTMENTS**

**Section 95.** There shall be established and maintained by dues and assessments collected from members and from all other income of the Society, a fund or funds for the payment of death and other benefits and for the accumulation of reserves on certificates as provided by law and/or the benefit certificates, and for the expense of management and extension of the Society.

**Section 96.** The Board of Directors shall have supervision over the operations of the funds of the Society which shall be invested in accordance with the investment policies adopted by the Board of Directors and all applicable laws.

## **ARTICLE XXI INTERPRETATION OF BY-LAWS**

**Section 97.** If any section of these by-laws should not be explicit, or in case of uncertainty or dispute as to its intent or meaning, the Board of Directors shall have the power to decide upon such situation; and its decision shall remain in force until such decision or section is duly amended.

## **ARTICLE XXII RULES OF PROCEDURE**

**Section 98.** If the Charter of Incorporation or by-laws of SPJST are silent as to any procedural aspect of any action or meeting hereunder, the procedures of the latest edition of "Robert's Rules of Order" shall control such procedure.

## **ARTICLE XXIII WAIVER**

**Section 99.** No subordinate body, nor any of its subordinate officers or members, shall have the power or authority to waive any of the provisions of the by-laws of the Society. Such provisions shall be binding on the Society and every member and beneficiary of a member.



## ARTICLE XXIV AMENDMENTS

**Section 100.** Repeal/Amend. These by-laws may be repealed or amended in whole or in part by a two-thirds majority vote at any regular or special Convention.

**Section 101.** Between meetings of the Convention, the Board of Directors may by two-thirds vote of all members of the Board of Directors, amend these by-laws in any way necessary to clarify or give effect to Convention enactments, to remove or revise contradictions or ambiguities, or to make these bylaws conform to the laws of the State of Texas. All by-law changes shall be published in the Vestnik stating the reason for the change.

**Section 102.** Effective Date. Amendments to these by-laws shall take effect upon their adoption, unless another time is specified, and shall be submitted to Texas Department of Insurance. All amendments to the Charter of Incorporation or by-laws of SPJST or a synopsis thereof shall be published in the Vestnik within the time required by the laws of the State of Texas. The Chief Financial Officer shall file with Texas Department of Insurance a certified copy of each amendment not later than the 90th day after the date of enactment of the amendment. A printed copy of the by-laws, as amended, that is certified by the Chief Financial Officer is prima facie evidence that the by-laws were legally adopted.

**Section 103.** Power to Correct Typographical Errors. The Convention directs the Executive Officers to correct typographical errors that might appear in the fore-

going by-laws and to renumber the articles, sections, subsections, and/or subparagraphs in codifying the same so as to place them in proper order but without changing the context, intent, and purpose thereof. Should any article, section, or part of these by-laws be held invalid for any reason whatsoever by any court of competent jurisdiction, such holding shall not affect the remainder or any part thereof.

## **ARTICLE XXV RESOLUTION OF DISPUTES**

**Section 104.** The purpose of this article is to provide a method for fair resolution of disputes consistent with the fraternal nature of SPJST. Should a formal complaint be brought against any member(s), committee member(s), or officer(s), the provisions contained in this article shall be followed as these procedures have been structured to reflect the spirit of the disciplinary process as detailed in the current edition of “Robert’s Rules of Order.”

(a) Local lodges of SPJST and their officers and members, as well as members of the Executive Committee, shall guide themselves according to all applicable laws and by-laws of SPJST; otherwise, they are subject to penalty for violation and non-observance of them. Punishments that a lodge can impose generally fall under the headings of corrective actions, censure, suspension, or expulsion. Members may be suspended from membership for the following reasons, but will not lose their insurance benefit except for non-payment of premiums and dues:

1. Members found to be guilty of immoral acts;
2. Members convicted of felonious acts;
3. Members derelict in their responsibilities;
4. Members guilty of improper conduct and habitually failing to adhere to the by-laws, rules and regulations in the meeting; and
5. Members whose actions are considered injurious to SPJST or its purposes.

(b) Formal disciplinary procedures should be regarded as a drastic step reserved for serious situations or those potentially so. In the event that a grievance cannot be resolved informally, SPJST provides an orderly, confidential, and progressive procedure to deal with any serious differences of opinion which cause a member to believe that they have been dealt with unjustly.

(c) The grievance must be submitted in writing and signed by the person(s) making the charge. The grievance should be specific and should identify a desired outcome. Anonymous or unsigned grievances will not be considered. The grievance should be addressed to the lodge president — or if the lodge president is being cited — to the lodge vice president; and so on. Grievances dealing with matters on a district level or state level are to be directed directly to the Office of the President/CEO — or if the President/CEO is being cited — to the Chair of the Board of Directors. The procedural process is essentially the same as outlined throughout this section.

(d) The lodge president shall appoint a Lodge Grievance Committee of at least three members who are not directly involved or named in the

grievance. The lodge president shall serve as a non-voting member of the Grievance Committee. In the event that the grievance involves the lodge president, the committee shall be appointed by the vice president or another lodge officer not cited or affected directly by the grievance. The Lodge Grievance Committee may be a standing committee of the lodge; otherwise, the Lodge Grievance Committee shall be designated at the next lodge meeting following the written filing of the grievance.

(e) The Lodge Grievance Committee will be instructed to make a determination that the allegations cited against the member are well-founded. In the event that the allegations are determined well-founded, the Lodge Grievance Committee shall address the matter, including any corrective actions which are deemed necessary, discretely with the member in question.

(f) The severity of the action taken or recommended by a Lodge Grievance Committee should depend upon the nature and severity of the offense. Under most circumstances, it is recommended that upon first offense, that the Lodge Grievance Committee issue a discrete written warning to the accused, detailing the offense and the corrective action(s); moreover, SPJST seeks to ensure that a lodge doesn't expel anyone from membership for reasons of race, religion, gender, or disability.

(g) If the problem persists following this issuance of written warning — or if the individual cited protests the findings of the Lodge Grievance

Committee — then the Lodge Grievance Committee may reconvene to reconsider the matter and — if deemed necessary — request that the accused member be brought before the general membership at a regularly scheduled lodge meeting for a hearing to:

- (1) consider evidence and determine innocence or guilt by a two-thirds vote of eligible voting members present; and

- (2) consider and vote upon disciplinary action(s) recommended by the Grievance Committee, subject to an affirmative vote by two-thirds of the voting members present.

- (h) In the event of a finding of guilt by the lodge, the cited member may appeal, in writing, to the Board of Directors. Such an appeal must be made within 15 days after receipt of notice of action by the Grievance Committee; likewise, the aggrieved member, if not satisfied with the Grievance Committee's ruling or sentencing, may appeal to the Board of Directors in the same manner as the accused member.

- (i) The appeal will be added to the agenda of the next regular meeting of the Board of Directors.

- (j) The Board of Directors shall investigate thoroughly all facts pertinent to the ruling of the Grievance Committee. To facilitate in this process, the lodge Grievance Committee will furnish a transcript of all prior proceedings on the matter to the President/CEO.

(k) The Board of Directors shall uphold, reject, and/or amend the ruling of the Grievance Committee, and this decision shall stand.

(l) All grievance proceedings under the by-laws shall be held in executive session, and the name of the member under investigation shall not be disclosed in any public communication or to any person other than to persons whose testimony is necessary in connection with the initial proceedings and/or subsequent lodge intercession. All communications concerning disciplinary proceedings are to be marked “Confidential” and all disciplinary files are to be maintained in strict confidence.

We, the members of the By-Law Committee, certify by our signatures that these by-laws are arranged truly and correctly according to the Proceedings of the Convention as voted on, adopted, and approved by the Convention of our Society, in session on August 14 and 15, 2021, in Killeen, Texas.



Dorothy Pflughaupt, Chair



Joseph L. Siptak, Vice Chair



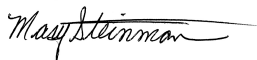
Beverly J. Teplicsek, Secretary



Bill Orsak



Bridget Bohac



Mary Steinman



Oscar Korus



***Insuring &  
Enriching Lives***