



Constitution and Bylaws

As Amended and Restated
January 2019

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**CONSTITUTION
AMENDED AND RESTATED
ARTICLES OF INCORPORATION**

**Article I.
NAME**

The name of the corporation shall be Catholic United Financial (hereinafter referred to as “Association”).

**Article II.
PURPOSE**

The Association exists as a non-profit fraternal benefit society as defined by Minnesota state statutes. Its purposes are to:

- promote fraternalism and charity among its Members through a lodge system and a representative form of government;
- provide its Members with insurance, annuity or other statutorily permitted benefits that will contribute to the financial well-being of each Member and their family;
- support the Roman Catholic Church in extending the faith, especially by promoting and encouraging Catholic schools, religious education, and vocations to the priesthood and religious life; and
- strive to be a good employer and contributing member of our community.

**Article III.
MEMBERSHIP**

The Association is organized and shall be carried on solely for the mutual benefit of its Members and their beneficiaries, and not for profit. Its membership shall be confined to persons who are members of the Roman Catholic Church and the non-Catholic spouses, children and grandchildren of persons who are duly qualified Members of the Association at the time of admission of such non-Catholic spouse, child or grandchild; provided that the membership of such non-Catholic spouses, children and grandchildren shall be designated as Limited Membership having only such privileges as are specified in the Bylaws of the Association. In addition, Limited Membership shall be extended to non-Catholic employees of the Association or their spouse or children who purchase a product from the Association. Membership of any non-Catholics acquired through merger or acquisition would be considered Limited Membership as defined by the Bylaws. The qualifications for membership in the Association and the terms of admission to membership shall be such as may be prescribed by the Constitution and Bylaws of the Association. No person shall be admitted to membership if they are less than 16 years of age, but this limitation shall not prohibit the making or provisions for the payment of benefits upon the lives of persons below the age of 16 years.

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Article IV.
LOCAL COUNCILS AND PARISH VOLUNTEER TEAMS

The Association shall have a branch system and a representative form of government. The branch system of the Association shall consist of subordinate branches, which shall be known as Local Councils and Parish Volunteer Teams, into which Members shall be admitted in accordance with the Constitution and Bylaws of the Association. Local Councils and Parish Volunteer Teams shall be required to hold regular or stated meetings at such intervals as may be prescribed by the Constitution and Bylaws of the Association, provided that in any event such meetings shall be held at least once every three months.

Article V.
SUPREME EXECUTIVE BODY

There shall be a supreme executive body, which shall be known as the Board of Directors. It shall consist of the President and Chair of the Board, the Senior Vice President and Secretary/Treasurer of the Association and seven additional Members of the Association elected by the Delegate Conference. Elections shall be for such term as may be prescribed by the Bylaws of the Association. The members of the Board of Directors shall annually elect a Lead Director from among the Board members.

Article VI.
SUPREME GOVERNING BODY

There shall be a supreme governing body known as the Delegate Conference composed of the Spiritual Director, the members of the Board of Directors, the Committee on Constitution and Bylaws, and the delegates elected by each Local Council or Parish Volunteer Team. The delegates elected by each Local Council or Parish Volunteer Team shall constitute a majority in number of the governing body and shall have not less than two-thirds of the votes and not less than the votes required to amend the Constitution and Bylaws of the Association. The governing body shall meet at such times and places as may be fixed in the Bylaws of the Association, but at least once every four years.

Article VII.
ASSESSMENTS

The funds from which benefits shall be paid and the funds from which the expenses of the Association shall be defrayed shall be derived from periodical payments by the Members and from accretions of such funds. If the regular periodical payments are insufficient to pay all matured claims in full and to provide for the creation and maintenance of such funds as may be required by law or the Constitution and Bylaws of the Association, then extra assessments or other payments may be levied upon the Members in the manner provided by law to meet the deficiency.

91 **Article VIII.**
92 **MANAGEMENT OF FUNDS**
93

94 All funds of the Association shall be under the control of the Board of Directors and shall
95 be held, handled, managed, invested and disbursed as provided by law and prescribed by the
96 Constitution and Bylaws of the Association. All reserve, surplus and contingency funds shall be
97 held, invested and disbursed for the use and benefit of the Association and no Member or
98 beneficiary shall have or acquire any individual rights therein or be entitled to an apportionment
99 or the surrender of any part thereof, except as provided in the benefits contract.

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101 **Article IX.**
102 **LOCATION OF PRINCIPAL OFFICE**
103

104 The principal office of the Association shall be located at 3499 Lexington Avenue North,
105 Arden Hills, Minnesota, 55126. The meetings of its supreme governing body may be held in any
106 state, district, province, or territory where the society has at least one Local Council or Parish
107 Volunteer Team, or in any other location as determined by the supreme governing body, and all
108 business transacted at the meetings shall be as valid in all respects as if the meetings were held in
109 the State of Minnesota. The minutes of the proceedings of the supreme governing body and of
110 the Board of Directors shall be in English.

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112 **Article X.**
113 **WRITTEN ACTION BY THE BOARD OF DIRECTORS**
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115 Any action required or permitted to be taken by the Board of Directors may be taken by written
116 action signed by two-thirds of the members of the Board of Directors, except as to those matters
117 that require Member approval, in which case the written action must be signed by all Directors.
118 In undertaking any written action, reasonable efforts must be taken to notify all Directors of its
119 text and effective date prior to the time required for its completion.

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122 **Article XI.**
123 **LIMITATION OF DIRECTOR LIABILITY**
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125 A Director of the corporation shall not be personally liable to the Association, Members or
126 delegates for monetary damages for breach of fiduciary duty as a Director. The foregoing shall
127 not be deemed to eliminate the liability of a Director (1) for any breach of the Director's duty of
128 loyalty to the Association or its Members; (2) for acts or omissions not in good faith or that
129 involve intentional misconduct or a knowing violation of law; (3) for any transaction from which
130 the Director derived an improper personal benefit; or (4) for any act or omission occurring prior
131 to the date when the provision eliminating or limiting liability becomes effective. Any repeal or
132 modification of this section shall not adversely affect any right or protection of a Director existing at
133 the time of such repeal or modification.
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**BYLAWS
OF CATHOLIC UNITED FINANCIAL
AS ADOPTED BY THE 2018 DELEGATE CONVENTION**

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DELEGATE CONFERENCES

144 **1** Delegate Conferences (hereinafter referred to as “Conference(s)”) shall be
145 held triennially on the dates fixed by the Board of Directors. On or before January
146 10 of each Conference year, the Board of Directors shall fix the starting date of the
147 Conference not earlier than August 1 and not later than September 30.
148

149 **2** Special Conferences shall be called by the President and Chair of the
150 Board on the written request of two-thirds of the members of the Board of
151 Directors or on a petition signed by a majority of the delegates qualified to vote at
152 the last preceding Conference, provided that all such petitioning delegates are in
153 good standing in their respective Local Councils or Parish Volunteer Teams at the
154 time of making such petition. The business to be transacted at any Special
155 Conference shall be stated in the written request or petition and shall be specified
156 in the call which shall be published in the Official Publication of the Association
157 at least four weeks prior to such Conference and no other business shall be
158 entertained. The call shall also specify the date, time and place of the Special
159 Conference, which place shall be designated by the Board of Directors.
160

161 In lieu of convening a Special Conference, the Board of Directors may send
162 a written ballot to all delegates, or in their absence, alternates, then in office. The
163 ballot may include one or more resolutions that could be considered and adopted
164 at a Special Conference. A resolution shall be deemed adopted upon receipt of
165 valid ballots equal in number to the number of votes that would have been needed
166 to adopt the resolution at a Special Conference. Written ballot includes a ballot
167 transmitted or received by electronic means.
168

169 **3** Each Local Council or Parish Volunteer Team shall be entitled to one
170 delegate to each Conference for every 125 Members or major fraction thereof in
171 good standing on the first day of June preceding the Conference provided that each
172 Local Council or Parish Volunteer Team having less than 125 Members shall be
173 entitled to two delegates.
174

175 Conference delegates shall be elected by each Local Council or Parish
176 Volunteer Team at its last regular meeting preceding July 1 of each Conference
177 year. Any Member in good standing except a Limited Member may be elected as
178 a delegate. An equal number of alternates shall be elected at the same time to serve
179 in the place of those delegates who cannot attend the Conference. The names of
180 the elected delegates and alternates shall be forwarded by the Fraternal Secretary
181 or Administrative Coordinator to the Senior Vice President and

182 Secretary/Treasurer of the Association on or before July 1 of each Conference
183 year. Each such delegate, or alternate, shall thereupon be an accredited delegate
184 for all Conferences held before July 1 of the next Conference year.
185

186 **4** The delegates to the Conference shall present themselves at the time and
187 place designated in the call for the Conference and after the Conference shall have
188 been called to order shall present their credentials to the Committee on Credentials
189 which shall pass thereon. All delegates present, who shall have had their
190 credentials passed upon favorably, shall be entitled to a seat in the Conference
191 after taking the following pledge: "I do hereby solemnly promise on my honor as
192 a Catholic that I will respect and uphold the Constitution and Bylaws of Catholic
193 United Financial, and be loyal to and recognize this Conference as the supreme
194 authority of the Association."
195

196 **5** Conferences shall be opened at the time specified in the call of the
197 Conference, and if a quorum be present, shall proceed to business. Two-thirds of
198 the accredited delegates shall constitute a quorum. In the absence of a quorum a
199 majority of the accredited delegates present may recess the Conference from time
200 to time until a quorum is present. A Conference shall be adjourned during any
201 period while a quorum is not present.
202

203 **6** The following shall be the order of business at Conferences.
204

- 205 1. Opening Prayer.
- 206 2. Appointment and preliminary report of Credentials Committee.
- 207 3. Pledge and seating of delegates.
- 208 4. Adoption of rules for the convention.
- 209 5. Confirmation of committee appointments.
- 210 6. Approval of minutes of last convention or Conference as applicable.
- 211 7. Reception of petitions and communications and reference of
212 same to proper committees.
- 213 8. Reports of Officers.
- 214 9. Nomination of Directors and Nominating Committee.
- 215 10. Final report of Credentials Committee.
- 216 11. Report of Constitution and Bylaws Committee and consideration of
217 proposed amendments to the Constitution and Bylaws.
- 218 12. Election of Directors and Nominating Committee.
- 219 13. Reports of other committees.
- 220 14. Unfinished business.
- 221 15. New Business.
- 222 16. Adjournment.

223
224 The foregoing order of business may be suspended or changed by a two-
225 thirds vote of the delegates present and voting at any time.
226

227 **POWERS AND DUTIES OF CONFERENCE**

228
229 **7** All legislative power and the highest judicial authority shall be vested in

230 the Conference of the Association.

231
232 **8** The Conferences shall decide all cases of contested delegations, receive
233 and take proper action on all communications, petitions, suggestions and all other
234 matters which properly come before the convention.

235
236 Such authority shall be suspended in in the event of a fraternal authorized
237 control level event as required under 64B.43 of the Minnesota Statutes, and in such
238 event, all requirements of the Minnesota Statutes shall apply, including, but not
239 limited to, authority of the Board to approve a transfer of Benefit Contracts, and
240 requirements for notice to members. Such transfer shall release the Association
241 from any liability arising under the terms of the Benefit Contracts, effective upon
242 the date of transfer.

243
244 **9** For the purpose of providing staggered terms of office for Directors of
245 the Association, each Conference shall elect up to three persons to serve as
246 members of the Board of Directors. In each year between Conferences, up to three
247 persons shall be elected to serve as members of the Board of Directors by written
248 ballot in accordance with these Bylaws. The term of office for each such Director
249 whose term in office begins January 1, 2019, and subsequent, shall be a period of
250 four years.

251
252 The term of office of each Director shall begin on the first day of January
253 next succeeding their election and they shall hold office until a successor shall
254 have been duly qualified and elected.

255
256 If a vacancy occurs, the unexpired term shall be filled in conjunction with
257 the next Director election.

258
259 Any Director whose first term in office begins January 1, 2019, and
260 subsequent, is limited to three terms of office. Directors whose term of office
261 began prior to January 1, 2019, will be limited to four terms of office.

262
263 Each Conference shall also elect four members of a Nominating
264 Committee to serve until their successors are duly qualified and elected at the next
265 Conference

266
267 No person shall be eligible for a Director position unless such person is,
268 and has been for at least two years at the time of the election, a Benefit Member
269 of the Association and meets all other required criteria for Directors.

270
271 No person shall be eligible to be hired for an Officer position unless such
272 person is eligible to be a Benefit Member of the Association.

273
274 Any employee of the Association and their spouse shall be ineligible for
275 election as a Director while so employed and during the period of one year after
276 termination of such employment.

277

278 On all matters pertaining to its spiritual welfare, the Association shall
279 consult with its Spiritual Director, who shall be appointed by the Board of
280 Directors.
281

282 **10** Nomination of Directors in Conference years may be made by any
283 delegate. Election of Directors shall be by ballot unless a majority of the delegates
284 present and voting decide otherwise.
285

286 In non-Conference years, any eligible Benefit Member shall be required to
287 notify an Officer of the Association, in writing, no later than June 1, that they
288 intend to seek a Board position in the upcoming election. Election of Directors in
289 non-Conference years will be by written ballot sent to all delegates, or in their
290 absence, alternates, then in office. Candidates for Board of Directors with the
291 highest number of votes received will be elected.
292

293 Nomination of Nominating Committee Members may be made by any
294 delegate at each Conference. Election of the Nominating Committee shall be by
295 ballot unless a majority of the delegates present and voting decide otherwise.
296 Elected Nominating Committee Members will serve for a three-year period.
297
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299 **11** Elected delegates shall receive a stipend of \$75.00 for attending all sessions
300 of the Conference. The Association shall pay all housing (double room
301 accommodations) and meal costs at the site of the Conference, registration fees
302 and all other costs of the Conference. Delegates shall be paid mileage per car for
303 transportation. The mileage rate shall be the allowed amount specified by the
304 Internal Revenue Service business mileage rate in effect on the date of the
305 Conference. The mileage shall be determined according to the shortest customary
306 route to and from the Conference. Travel allowance for other means of
307 transportation must be approved by the Association.
308

309 CONFERENCE COMMITTEES

310
311 **12** On or before April 1 of each Conference year the President and Chair of
312 the Board shall appoint a Committee on Constitution and Bylaws, composed of
313 seven Members.
314

315 Prior to each Conference the President shall appoint a Credentials
316 Committee composed of two delegates and, if necessary, a Good of the
317 Association Committee composed of five delegates.
318

319 **13** The Committee on Constitution and Bylaws shall meet at the principal
320 office of the Association before the Conference to consider all proposed
321 amendments to the Constitution and Bylaws and shall report thereon in writing to
322 the Senior Vice President and Secretary/Treasurer by June 10. It shall also make
323 a report to the Conference with its recommendations.
324

325 **14** The Committee on Credentials shall examine and report on the election and
326 eligibility of the delegates to the Conference.
327

328 **15** The Committee on the Good of the Association, if called, shall review any
329 suggestions from Members to improve the Association and consider
330 recommendations for deliberation at the next Conference.
331

332 **NOMINATING COMMITTEE** 333

334 **16** Candidates for the Board of Directors positions shall be required to notify
335 an Officer of the Association, in writing, no later than June 1, that they will seek a
336 Board position in the upcoming election, and may not be nominated if they have
337 not done so.
338

339 At the call of the President and Chair of the Board, the elected members of
340 the Nominating Committee together with the President and Chair of the Board
341 shall meet and scrutinize the character and qualifications of any Benefit Member
342 who has timely notified the Association that they will seek a Director position in
343 the upcoming election. The Nominating Committee shall submit a report of its
344 findings to the Conference except in years with no Conference, to the Chair.
345 Notwithstanding anything herein to the contrary, the Nominating Committee shall
346 not nominate candidates for the Director position.
347

348 **BOARD OF DIRECTORS: POWERS AND DUTIES** 349

350 **17** The Board of Directors shall consist of the President and Chair of the
351 Board, Senior Vice President and Secretary/Treasurer and seven additional elected
352 Members of the Association. Elected members of the Board of Directors shall be
353 elected to that position in the manner and for the terms specified elsewhere in these
354 Bylaws and shall attend all meetings of the Conference and of the Board of
355 Directors unless excused. The President and Chair of the Board and Senior Vice
356 President and Secretary/Treasurer, who are hired by the Board of Directors, shall
357 attend all meetings of the Conference and of the Board of Directors unless excused.
358

359 **18** The Board of Directors shall be vested with all of the executive authority
360 of the Association and shall have full and general supervision of the affairs of the
361 Association.
362

363 It shall have the power to designate such appointive offices annually as it
364 may deem advisable and necessary.
365

366 **19** The Lead Director shall attend the Conferences and all meetings of the
367 Board of Directors. In the event of the absence of the President and Chair of the
368 Board, they will preside at the Conferences and meetings of the Board of Directors.
369

370 **20** It shall have the power, authority and duty to authorize issuance of benefit
371 contracts on such plans as in its judgment may be for the good of the Association

372 and may provide additional benefits under Benefit Contracts previously issued.
373
374 **21** It shall levy such assessments, both regular and special, as may be
375 necessary to establish and maintain adequate reserves and funds for payment of
376 the benefits provided for in all Benefit Contracts and for the payment of all
377 expenses incurred in carrying on the business of the Association and in the
378 promotion and extension of the objectives of the Association. It shall supervise
379 the investment of the funds of the Association, and in furtherance thereof shall
380 adopt, and modify from time to time in its discretion, an investment policy for the
381 guidance of the Officers of the Association in the management of the funds. Such
382 policy shall conform to all laws of Minnesota governing Fraternal Benefit
383 Associations.
384
385 **22** It shall make all rules and regulations which may be necessary and proper
386 for carrying into effect the Bylaws of the Association and all orders of the
387 Conferences. It shall have the power to interpret the Bylaws of the Association,
388 and such interpretation shall be binding upon the Association, provided that an
389 appeal may be taken from any such decision to the next Conference
390
391 **23** It shall have the power to fix the compensation of the Officers, Board of
392 Directors and Committees not fixed by the Bylaws, and to vote all necessary funds
393 to carry on the business of the Association.
394
395 **24** It shall cause the President and Chair of the Board, Senior Vice President
396 and Secretary/Treasurer, Board of Directors and all regular employees of the
397 Association to furnish bonds with corporate sureties in such amount as it deems
398 necessary for the faithful performance of their respective duties. The premium on
399 such bonds shall be paid by the Association.
400
401 **25** It shall have supervision and jurisdiction over all Local Councils and Parish
402 Volunteer Teams and their Members within the limits of the Constitution and
403 Bylaws and have power to suspend any Local Council or Parish Volunteer Team
404 found violating this Constitution.
405
406 **26** It shall hold not fewer than nine regularly scheduled meetings during each
407 calendar year at such time and place as it may determine, and may also hold special
408 meetings. Two-thirds of the Members shall constitute a quorum for the transaction
409 of all business at any such meeting.
410
411 **27** It shall appoint a Certified Public Accounting firm to annually examine the
412 financial records and securities of the Association and to report the findings of its
413 examination to the Board of Directors, which shall cause a synopsis of the report
414 to be published in the Official Publication of the Association.
415
416 **28** Any elected member of the Board of Directors, neglecting their duties may
417 be removed from office and the office declared vacant by a vote of two-thirds of
418 the Board of Directors. The Board of Directors shall have the power to fill all
419 vacancies occurring in any office thereof until such vacancy is filled in conjunction

420 with the next Director election. . The power to fill vacancies described above shall
421 include the power to fill all vacancies resulting from the removal, retirement or
422 death of an elected member of the Board of Directors.
423

424 **29**

The Association shall completely indemnify to the full extent now or
425 hereafter permitted by law, any person who was or is a party or is threatened to be
426 made a party to any contemplated, pending, or completed action, suit or
427 proceeding, wherever the same may be brought, and whether civil, criminal,
428 administrative, or investigative, by reason of fact that such person is or was a
429 Director, Officer, or employee of the Association, not a Local Council, or of any
430 firm, corporation, or organization which the person served in any capacity at the
431 request of the Association, against all expenses, attorneys fees, judgments, costs,
432 fines, and amounts paid in settlement actually and reasonably incurred by such
433 person in connection with the investigation, defense, handling, negotiation and
434 settlement of any such action, suit or proceeding. This right of indemnification
435 shall not be conclusive of any other rights to which such person may be entitled as
436 a matter of law.
437

438 **DUTIES OF OFFICERS**

439 **President and Chair of the Board & Senior Vice President and Secretary/Treasurer**

440 **30**

The President and Chair of the Board shall be the Chief Executive Officer
441 of the Association and the Chair of its Board of Directors whose duties shall
442 include presiding at all meetings of the Conferences, and of the Board of Directors,
443 presentation at each Conference of a report on the general condition of the
444 Association and recommendations for the welfare of the Association, and such
445 other duties as may be required by the Board of Directors.
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The Senior Vice President and Secretary/Treasurer duties shall include
448 serving as the Secretary of the Association, and of the Conferences and of the
449 Board of Directors; serving as the Treasurer of the Association; presentation of a
450 report to the Conference on the financial and operating activities of the
451 Association; preparation of regular reports for the Board of Directors and the
452 carrying out of all its orders; preparation of monthly reports of death claims and,
453 subject to approval by the Board of Directors, may appoint an Assistant Senior
454 Vice President and Secretary/Treasurer who, in the event of an officer's absence,
455 shall have authority to execute all the required documents of the office.
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Both Officers shall report to the Board of Directors, be evaluated by the
458 Board of Directors annually, and shall devote the whole of their time to the duties
459 of their respective offices.
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462 **BENEFITS AND CONTRACT**

463 **31**

The application, Benefit Contract including any riders or endorsements
464 attached thereto, the declaration of insurability, if any, signed by the applicant, the
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467 Constitution and Bylaws, together with all amendments to each thereof, shall
468 together constitute the agreement or contract between Benefit Members and the
469 Association; and it is provided that the holder of any Benefit Contract issued prior
470 to January 1, 1983 and in force December 31, 1982 shall have all of the benefits
471 pertaining to such contract which were set forth in the Constitution and Bylaws of
472 the Association as in effect December 31, 1982.

473
474 Benefit assessments levied pursuant to the Constitution of the Association
475 and these Bylaws shall be payable when the assessment is due, and any Member
476 who fails to pay such assessments before the expiration of the grace period as
477 stated in the Benefit Contract, and who is not a Benefit Member or Limited
478 Member by way of any other Benefit Contract then in effect, shall by that fact be
479 suspended from the Local Council or Parish Volunteer Team and the Association.
480

481 **Benefit Contracts**

482
32 Benefit Contracts shall be entered into, in compliance with the laws of the
483 state where issued, with persons age 16 or older, granting benefits under conditions
484 ordered and limited by resolutions of the Board of Directors, subject to the
485 provisions of the Constitution and these Bylaws.
486

487
33 Benefit Contracts may be issued upon the lives of persons below the age
488 of 16 who have been baptized Catholic, or the non-Catholic children and
489 grandchildren of a Member, provided such Member is the applicant, upon
490 application on a form in use by the Association and shall include evidence of
491 insurability, if required, acceptable to the Association under its rules and
492 regulations. Contracts for such persons shall be under the control of the applicants
493 as provided in the Contract. In the event of the death of an applicant, such control
494 shall be vested by the Association in the legally appointed guardian of the child, if
495 any, or in some other person who shall appear to be equitably entitled thereto by
496 reason of being responsible for the support and maintenance of such child, or by
497 reason of relationship.
498

499 **MEMBERSHIP**

500 **Classes of Members**

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502
34 The Association shall have the following classes of Members:

- 503
504 A. Benefit Member - A practicing Catholic 16 years of age or more on
505 whose life a Benefit Contract has been issued and which Contract
506 is in effect.
- 507
508 B. Limited Member - A person on whose life a Benefit Contract is in
509 effect but who does not qualify as a Benefit Member under Section
510 "A" above.
511

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513 Applications for membership shall be accepted only from persons
514 who are practicing Catholics, except:

- 515 a) the non-Catholic spouse of a Benefit Member;
- 516 b) a beneficiary of a Beneficiary Contract who elects to take a
- 517 supplemental contract;
- 518 c) the non-Catholic child or grandchild of a Benefit Member,
- 519 provided the applicant is a Benefit Member of the Association;
- 520 d) any non-Catholic employee of the Association, or their spouse
- 521 or children; and
- 522 e) non-Catholic benefit contract owners whose contracts are
- 523 acquired by virtue of a merger or acquisition.
- 524

525 Limited Members shall not have voting privileges in the Association or
526 the Local Councils or Parish Volunteer Teams and shall not be eligible to hold any
527 office in the Association or Local Councils or Parish Volunteer Teams nor to serve
528 on any committee nor be a delegate to the Conferences of the Association, but
529 shall have all other rights, privileges and obligations of Members of the
530 Association and Local Councils or Parish Volunteer Teams. The membership of
531 a Limited Member shall not terminate solely by reason of the termination of the
532 membership of the spouse of such Limited Member.

533
534 Admission as a Benefit Member shall be obtained by application and
535 approval by such Officers and upon such conditions as the Board of Directors may
536 determine. The applicant for membership shall agree to comply with and to be
537 bound by the Constitution, laws, rules and regulations of the Association and of
538 any Local Council or Parish Volunteer Team of which the applicant may be a
539 Member as such Constitution, laws, rules and regulations then are and as they may
540 be thereafter amended or modified. Membership in the Association shall be
541 retained only through admission to a Local Council or Parish Volunteer Team.

542 **Duties of Members**

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35 545 Each Member shall pay all assessments and fees charged in accordance
546 with the provisions of the Constitution and these Bylaws and in accordance with
547 the Bylaws of the Local Council and the Benefit Contract; further the aims,
548 purposes and interests of the Association; protect the Association and its Members
549 against defamation, imposition and fraud; preserve the good name and standing of
550 the Association by living an exemplary life and being honest and fair in all matters;
551 share in the propagation and extension of the Association by soliciting qualified
552 persons for membership; serve faithfully on any committee or in any capacity to
553 which appointed or elected; attend as far as possible the meetings of the Local
554 Council or Parish Volunteer Team.

555 **RESOLUTION OF DISPUTES**

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36 558 a) Purpose. The purpose of this section is to provide the sole means to
559 present and resolve certain grievances, complaints and disputes that are within its
560 scope. The procedures set forth in this section are meant to provide prompt, fair
561 and efficient opportunities for dispute resolution, consistent with the fraternal
562 nature of the Association, without the delay and expense of formal legal

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proceedings.

b) Scope.

- (1) This subsection (b)(1) is subject to the exceptions in subsection (b)(2). This section applies whenever a Member, benefit contract owner, insured, annuitant or beneficiary claims damages or any other form of redress against the Association or its Directors, Officers or employees. In the preceding sentence, the list of potential claimants includes all past, current and future benefit contract owners, Members, insureds, annuitants and beneficiaries. The claims to which that sentence refers include all claims, actions, disputes, and grievances of any kind or nature whatsoever, including, but not limited to, claims based on breach of contract, fraud, misrepresentation, violation of statute, breach of fiduciary duty, discrimination, denial of civil rights, conspiracy, defamation, and infliction of distress, against the Association or its Directors, Officers or employees.
- (2) This section does not, however, apply to
 - (A) any claim based entirely on a relationship with the Association other than as a sales prospect, Member, benefit contract owner, insured, annuitant or beneficiary;
 - (B) claims or disputes made after the applicable statute of limitations has expired;
 - (C) actions brought by the Association, including but not limited to, actions for declaratory judgment, determining proper payees, recovering amounts due, and contesting insurance coverage or membership eligibility.

c) Procedures. No lawsuit or any other action may be brought against the Association or its Directors, Officers or employees for any claims or disputes covered by this section. The following are the steps and procedures for presenting and resolving disputes:

Step 1. Appeal. Appeal of the dispute to a designated reviewer within the Association as appropriate to the dispute.

Step 2. Mediation. If step 1 does not result in a mutually satisfactory resolution, either party has the right to have the matter mediated in accord with the applicable mediation rules of the neutral alternative dispute resolution organization to which the parties agree or, in the absence of agreement, the American Arbitration Association.

611 Step 3. Arbitration. If there is still no mutually satisfactory
612 resolution, the matter will be resolved by binding arbitration in
613 accord with applicable arbitration rules of the neutral alternative
614 dispute resolution organization to which the parties agree or, in the
615 absence of agreement, the American Arbitration Association. The
616 arbitrator(s) may award any actual damages incurred for which
617 there is liability but may not award attorneys' fees or exemplary,
618 extra-contractual or punitive damages. The decision of the
619 arbitrator(s) is binding and final. Additional procedural rules may
620 be defined in policies established by the Association and made
621 available upon request. If a claim or dispute is subject to law that
622 prohibits parties from agreeing to submit future disputes to binding
623 arbitration, arbitration results shall be non-binding unless both the
624 individual and the Association voluntarily agree to binding
625 arbitration after the claim or dispute has arisen.
626

627 d) Costs. Fees and expenses of the mediator and/or arbitrator shall be paid
628 out of a dispute resolution fund established by the Association. This does not
629 include attorneys' fees, experts' fees, or discovery costs, which each party shall
630 bear as its own responsibility.
631

632 e) Joinder of Disputes. No claim or dispute may be brought against the
633 Association or its Directors, Officers or employees in a representative capacity or
634 on behalf of a "class" of persons or Members. Claims of multiple persons may be
635 joined and presented under this section provided that all affected Members,
636 owners, and beneficiaries consent in writing or if the Association determines that
637 the joinder is appropriate.
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639 LOCAL COUNCILS

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641 **37** One form of subordinate branches of the Association shall be known as
642 Local Councils and shall at their inception consist of at least 18 Members. They
643 shall possess all powers and privileges of a Local Council while acting in
644 accordance with this Constitution and Bylaws as now in force and as hereafter
645 amended.
646

647 **38** Eighteen or more persons qualified for membership in the Association may
648 request permission to organize a Local Council. Under the direction of the
649 Member Engagement and Sales Departments they shall submit to the Association
650 their names, a proposed religious name for the Council, a parish affiliation, a slate
651 of Officers and Bylaws. After approval by the Board of Directors a special
652 ceremony shall be held to install the Officers of the Council and present a charter.
653

654 **39** A Local Council may continue its existence so long as it has 10 or more
655 Members and the Council and its Members perform their duties.
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657 **40** Each Local Council shall be responsible for the development and
658 supervision of programs designed to stimulate interest in the Association.

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Any Local Council may provide in its bylaws for a class of Members of the council designated as "Social Members," and shall admit to such membership persons who are not Members of the Association but who are supportive of the work of the Local Council. Social Members shall not in any event have voting privileges in the Association or the Local Council and shall not be eligible to hold any office in the Association or Local Council nor to serve on any committee of the Association nor be a delegate to the Conference of the Association.

LOCAL COUNCIL BYLAWS

41 Local Councils may adopt such Bylaws as they deem expedient and may amend or repeal the same, provided that such Bylaws or amendments shall not be in conflict with the provisions of the Constitution and Bylaws of the Association and provided further that they shall not be effective until they have been approved by the Board of Directors.

42 Proposals for the adoption of Bylaws and for the amendment thereof shall be read at a regular meeting of the Local Council and shall not be adopted until the regular meeting of the Council next following such reading. A two-thirds vote of the Members present at a regular meeting shall be required for the adoption of Bylaws or amendments thereto.

LOCAL COUNCIL MEETINGS

43 Each Local Council shall meet at least once every three months at the time and place prescribed in its Bylaws. The Local Council President (President) may call a special meeting for the purpose of transacting specific business. On written request of ten (10) Members the President shall call a special meeting. Notice of such special meeting shall be given to the Members. Seven Members shall constitute a quorum for the transaction of business at any regular or special meeting. In the absence of both the President and Local Council Vice President, a Chairperson may be elected by a majority vote, and such Chairperson shall act as the President for that meeting.

44 Local Councils may use Robert's Rules of Order Revised as a guideline when transacting all business, being mindful not to conflict with any provisions of the Association's Constitution and Bylaws.

Every Local Council may conduct its meetings in accordance with the following Order of Business:

1. Opening prayer.
2. Roll call of Officers.
3. Welcoming of new Members.
4. Reading of minutes of the last preceding meeting and intervening

- 706 special meetings.
- 707 5. Report of Treasurer.
- 708 6. Reading and disposing of bills.
- 709 7. Reading and disposing of audit report.
- 710 8. Reading and disposing of communications.
- 711 9. Reports on Members who were sick or in distress.
- 712 10. Reports of Officers and committees.
- 713 11. Unfinished business.
- 714 12. Election or installation of Officers.
- 715 13. New business.
- 716 14. Adjournment with prayers.
- 717

LOCAL COUNCIL OFFICERS

Qualification, Election and Installation

722 **45** Each Local Council shall have a Spiritual Director, President, Vice
 723 President, Recording Secretary, Fraternal Secretary, Treasurer and an Auditing
 724 Committee of three Members.

726 The President, Vice President, Recording Secretary, Fraternal Secretary
 727 and Treasurer shall be elected at the last regular meeting of the calendar year and
 728 shall be installed at the first regular meeting of the succeeding year. They shall
 729 hold office during the calendar year succeeding their election and until their
 730 successors are duly elected and installed. One member of the Auditing Committee
 731 shall be elected and installed each year, hold office for three years and until a
 732 successor is duly elected and installed.

734 **46** Any person other than a Limited Member who is a Member of the Local
 735 Council, shall be eligible for any elective office. No Member shall concurrently
 736 hold more than one office. Vacancies occurring in any elective office shall be
 737 filled by election.

739 **47** The Spiritual Director shall be the pastor of the parish or some other priest,
 740 deacon or religious named by the pastor. The Spiritual Director shall have free
 741 access to all meetings and shall be invited to conduct the religious exercises of the
 742 Council.

Duties of Local Council Officers

746 **48** The President shall preside at all meetings of the Local Council and make
 747 all necessary committee appointments; assure that all business of the Council is
 748 properly conducted; convene the Officers of the Council to discuss and develop
 749 policies for the conduct of Council affairs; and appoint a caretaker to have charge
 750 of, and properly care for, all Council property.

752 **49** The Vice President shall preside at meetings of the Council in the absence

of the President and assume the duties of that officer in their absence.

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The Recording Secretary shall record the minutes of all meetings and conduct the correspondence of the Council. At the expiration of the term of office or in the event of resignation or removal, the Recording Secretary shall turn over to the successor all books, money or property belonging to the Council or the Association.

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The Fraternal Secretary shall promote and give leadership to implementing the Association's Fraternal Programs as well as other Fraternal Programs of the Council and assist in all matters of business between the Association and the Council.

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The Fraternal Secretary shall review the membership audit report and file annually in January with the Association a financial and activity report covering the operations of the Council for the previous year.

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When notice has been received from the Association that a new Applicant has been accepted, the Fraternal Secretary shall notify the Local Council of this fact at its next regular meeting. At the expiration of the term of office or in the event of resignation or removal, the Fraternal Secretary shall turn over to the successor all books, money or property belonging to the Council or the Association.

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The Treasurer shall receive all monies belonging to the Council and give receipt thereof; keep an accurate account and record of all monies received and disbursed; submit such accounts and records annually to the Auditing Committee for inspection and audit; keep the funds of the Council separate from their own and deposit the same in the name of the Council and exhibit them whenever ordered to do so by the Auditing Committee. At the expiration of the term of office or in the event of resignation or removal, the Treasurer shall turn over to the successor, all books, money and property belonging to the Council or the Association.

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The financial accounts of the Council shall have two (2) signatories; the Treasurer and the President or their appointee, who is not an immediate family member.

LOCAL COUNCIL DELEGATES

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The Delegates, or in their absence the Alternates, to the Conference shall attend all sessions of the Conference and do all in their power to promote the interest of their Council and the Association.

LOCAL COUNCIL COMMITTEES

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799 **54**

The Auditing Committee shall examine and audit the books and accounts

800 of the Treasurer annually; make a report to the Council at the first meeting
801 following the audit showing all receipts, expenditures and cash balances on hand;
802 report Members admitted and the membership of the Council; report the monies
803 turned over to the Treasurer and where the monies of the Council are kept. In the
804 event of the failure of the Auditing Committee to comply with these provisions
805 within 30 days after the books have been received, the President shall declare the
806 Members of the committee deposed from office and shall appoint three new
807 Members at the next regular meeting of the Council to serve until the next annual
808 election.
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810 **LOCAL COUNCIL FUNDS AND PROPERTIES**

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812 **55** All Local Council membership activity allowances and other monies shall
813 be placed in and constitute the general fund of the Council which shall be drawn
814 upon for the purpose of meeting the benevolent activities and the necessary
815 operating expenses of the Council.
816

817 If the Council is inactive for two years, its treasury shall be deposited in
818 the general fund of Catholic United Financial Foundation unless otherwise
819 specified in the Bylaws of the Local Council.
820

821 **PARISH VOLUNTEER TEAMS**

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823 **56** Another form of subordinate branches of the Association shall be known
824 as Parish Volunteer Teams, which at their inception, shall consist of at least 18
825 Members.
826

827 **57** Eighteen or more persons qualified for membership in the Association
828 may request permission to organize a Parish Volunteer Team. Under the
829 direction of the Member Engagement Department, they shall submit to the
830 Association their names, a proposed religious name for the Team, a parish
831 affiliation and a slate of appointed Members to hold Team positions.
832

833 **58** A Parish Volunteer Team may continue its existence as long as it has 10
834 or more Members and the Team and its Members perform their duties.
835

836 **PARISH VOLUNTEER TEAM MEETINGS**

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838 **59** Each Parish Volunteer Team shall meet at least four times annually at the
839 time, place and in a manner acceptable to the Team. The Team Director may call
840 a special meeting for the purpose of transacting specific business. Notice of such
841 special meeting shall be given to the Members. Five Members shall constitute a
842 quorum for the transaction of business at any regular or special meeting. In the
843 absence of the Team Director, a Chairperson may be elected by a majority vote,
844 and such Chairperson shall act as the Team Director for that meeting.
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PARISH VOLUNTEER TEAM POSITIONS

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Each Parish Volunteer Team shall have a Team Director, Administrative Coordinator, Publicity Lead, Event Lead, Volunteer Lead and an Auditor.

The Team Director, Administrative Coordinator, Publicity Lead, Event Lead and Volunteer Lead shall be appointed by the Team at the last regular meeting of the calendar year and shall begin serving on January 1 of the succeeding year. An Auditor shall be appointed by the Team Director at the last regular meeting of the calendar year and shall begin serving on January 1 of the succeeding year and shall serve for up to a maximum of two calendar years.

Any person other than a Limited Member who is a Member of the Association shall be eligible to serve in any Team position. No Member shall concurrently hold more than one position. The position of any Team member absent without cause from three consecutive meetings may be declared vacant.

Duties of Parish Volunteer Team Members

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The Team Director serves as the leader of the Parish Volunteer Team and is responsible for presiding at all meetings of the Team, assuring that all business of the Team is properly conducted and appointing an auditor to review the annual financial statement.

62

The Administrative Coordinator is responsible for recording the minutes of all meetings, acts as the primary contact with the Association, sharing information as necessary. The Administrative Coordinator will promote and lead the proper implementation of the Association's Member Engagement Programs, reporting all team activity through the Association's online reporting system.

63

The Administrator Coordinator shall also receive all monies belonging to the Team and give receipt thereof; keep an accurate account and record of all monies received and disbursed; submit such accounts and records annually to the Auditor for inspection and audit; keep the funds of the Team separate from their own and deposit the same in the name of the Team and exhibit them whenever ordered to do so by the Team. The financial accounts of the Team shall have two (2) signatories; the Team Director and the Administrative Coordinator, who are not immediate family members.

At the expiration of the term of office or in the event of resignation or removal, the Administrative Coordinator shall turn over to the successor all books, money or property belonging to the Team or the Association.

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The Publicity Lead of the Parish Volunteer Team is responsible for developing all event and Team publicity using a variety of mediums.

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The Event Lead of the Parish Volunteer Team is responsible for planning

894 and executing Team activities.

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896 **66**

The Volunteer Lead of the Parish Volunteer Team is responsible for addressing all of the volunteer needs for the Team’s activities; assigning specific responsibilities to Members and non-members to achieve success. The Volunteer Lead is also responsible for volunteer recognition and welcoming new Members to the Team.

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PARISH VOLUNTEER TEAM DELEGATES

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904 **67**

The Delegates, or in their absence the Alternates, to the Conference shall attend all sessions of the Conference and do all in their power to promote the interest of their Team and the Association.

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PARISH VOLUNTEER TEAM FUNDS AND PROPERTIES

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910 **68**

All Parish Volunteer Team membership activity allowances and other monies shall be placed in and constitute the general fund of the Team which shall be drawn upon for the purpose of meeting the benevolent activities and the necessary operating expenses of the Team.

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If the Team is inactive for two years, its treasury shall be deposited in the general fund of Catholic United Financial Foundation.

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SUSPENSION AND EXPULSION

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920 **69**

Any Member who willfully violates the provisions of the Constitution or Bylaws or the Bylaws of their Local Council or who brings discredit on the Association, or a Local Council or Parish Volunteer Team thereof, shall be subject to suspension or expulsion from the Local Council or Parish Volunteer Team and the Association. A suspended Member shall not be permitted to participate in any business of the Local Council or Parish Volunteer Team or the Association or be admitted to any meeting thereof, or be entitled to any privilege of membership during time of suspension. Such suspension or expulsion shall not alone cause termination of any rights under any Benefit Contract then in effect.

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Except for non-payment of assessments or dues, no Member shall be suspended or expelled until they have been notified by the Recording Secretary of the Local Council, the Administrative Coordinator of the Parish Volunteer Team or an Officer of the Association of the proposed action and have been given a reasonable opportunity to defend them self and to protest such proposed action.

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936 **71**

Any Member who, by the action of the Local Council, Parish Volunteer Team or an Officer of the Association, has been suspended or expelled for any reason other than non-payment of assessments, may, within 30 days after being notified of such suspension or expulsion, appeal to the Board of Directors for a

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940 review of the action of the Local Council, Parish Volunteer Team or Officer(s) of
941 the Association. The decision of the Board of Directors shall be final and
942 conclusive.

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FISCAL YEAR

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946 **72** The fiscal year of the Association shall begin with the first day of January
947 of each year and end with the thirty-first day of December of the same year.

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OFFICIAL PUBLICATION

950

951 **73** The Official Publication of the Association shall be designated by the
952 Board of Directors from time to time and such Publication shall be clearly
953 identified as “the Official Publication of Catholic United Financial.” It shall be
954 edited and published under the direction of the Chair of the Board and shall be
955 issued and mailed to the address of the household of a Member or Members unless
956 requested otherwise. The request must be in writing to the Association’s home
957 office.

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AMENDMENTS

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961 **74** Any Benefit Member of the Association may propose an amendment of the
962 Constitution and Bylaws of the Association or any provision thereof.

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964 **75** Any such proposed amendment shall be submitted in writing to the Board
965 of Directors on or before April 1 of each Conference year. Such proposals shall
966 be promptly transmitted to the Chairperson of the Committee on Constitution and
967 Bylaws. A report of the committee shall be printed in the Official Publication of
968 Catholic United Financial at least thirty days prior to the Conference

969

970 **76** No proposed amendment submitted after April 1 of the Conference year
971 shall be considered at a Conference without the unanimous consent of the
972 Committee on Constitution and Bylaws.

973

974 **77** A two-thirds vote of the delegates present at the Conference shall be
975 necessary to enact any amendment. All amendments shall take effect on the first
976 day of January following the Conference, unless otherwise provided.

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