

SPECIAL CONVENTION ISSUE

WILLIAM PENN LIFE



January 2020

*Carrying our
fraternal mission
into the future*

39th General Convention

October 12-14, 2019 • Pittsburgh, PA



Help us help our youth

The rewards that come with a higher education are priceless. But, that education comes at an ever-higher price. That's why since 1972, William Penn Association has helped our young members attending college achieve their goals by awarding them over \$2.8 million in scholarship grants. Last year alone, the William Penn Fraternal Association Scholarship Foundation awarded grants to 157 students totaling \$78,500. It is only through the generosity of people like you--our members, branches and friends--that WPA can continue to offer this financial support to our children seeking to improve their lives through education.

By donating to the WPFA Scholarship Foundation, you are saying that you believe in the potential of our children and in the power of education. With your help, our children can transform the world and our communities. With your help, we can make an impact on the future.

So, why not help us help our youth? It's easy to do. Simply complete the form below and send it to us, along with your tax-deductible donation. On behalf of our youth, we thank you.

YES! I want to help. Here is my gift which will be appreciated by the many young people whose lives will be enriched by education. Please accept my tax-deductible contribution of:

☐ \$1,000 ☐ \$500 ☐ \$250 ☐ \$100 ☐ \$50 ☐ \$25 ☐ _____

Name: _____

Email: _____

Address: _____

City: _____ State: _____ Zip: _____

☐ (Please check this if the above address is new.)

Special instructions, if any: _____

☐ I have included the WPFA Scholarship Foundation in my estate plans.

☐ Please send me information on gifts of trusts, property, wills and deferred giving.
(For wills, our legal title is William Penn Fraternal Association Scholarship Foundation, Inc.)

Please make checks payable to "WPFA Scholarship Foundation, Inc." and mail to:

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Editor-in-Chief
George S. Charles, Jr.

Associate Editors
Cassandra Holmes
Diane M. Torma
Steven F. Charles

Managing Editor
Graphic Designer
John E. Lovasz

NATIONAL OFFICERS

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*Your comments are always
welcome. Contact us at:*

William Penn Life
William Penn Association
709 Brighton Road
Pittsburgh, PA 15233

Phone: 1-800-848-7366, ext. 135

E-mail: jlovasz@wpalife.org

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Cover: Photo of WPA's National Officers and Board of Directors by Alexander Patho, Jr. • This Page: Photo © Can Stock Photo, Inc./ayzek

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Remarks by the National President to the General Convention

by George S. Charles, Jr.

As your National President, it is with great honor and humble appreciation that I personally welcome you to the 39th General Convention. It is an exciting time for us as we continue to grow and adapt to changing times. We are motivated, member-focused and open to new ideas. Our Association is confronting a time of many changes, and we are meeting these changes.

I have at all times, to the best of my ability, fulfilled the responsibility and trust placed in me to be the voice of our members to manage the affairs of our Association.

Our Association is in the midst of converting to a state-of-the-art computer system that will provide more flexibility to keep up with the changing times and enable more member and agent service. WPA is now well-positioned to carry its mission far into the future.

We've come a long way in the last four years. I feel very good about the progress we're making. Our Association is growing in a more balanced way with greater focus on increased membership. We have plenty of work to do, but we are on the right path to

stable long-term growth.

It is essential that our current team be able to continue to make plans to keep the Association on track and to mentor future leaders on the local branch and national level.

A sincere thank you to my fellow National Directors, Officers, and Home Office staff for all the rewarding experiences that we have shared together.

It has been said that a sign of a good leader is not how many followers you have, but how many leaders you create.

I am proud and truly humbled by the fact that I have had the privilege of being with William Penn Association for a 45-year working career at the urging of my uncle, Elmer Charles.

Being employed by this Association and over my lifetime of being a member of WPA, I have been touched by and blessed by many members of our beloved Association.

I started out as a part-time clerk typist, participating in a two-year work-study program at the College of Insurance in New York City, and having the opportunities to gain insight from many knowledge-

Photo by Alexander Patho

“Our Association is growing in a more balanced way with greater focus on increased membership. We have plenty of work to do, but we are on the right path to stable long-term growth.”

able staff members and officers of the Association throughout the years has strengthened my knowledge and leadership abilities as well as my commitment and dedication to the members of William Penn Association.

I have had many positions with the Association: Clerk Typist, Junior Underwriter, Agency Administrator, Office Manager, Administrative Assistant to the National President, Assistant Secretary, National Secretary and, since June 1996, National President.

Over the years, I have come to realize that in my life the three greatest achieved titles in order of importance to me are: husband of Dianne Charles, father of Steve Charles, and member of the William Penn Association.

To my dear wife Dianne and son Steve, words cannot express the love and appreciation I have for both of you. From the bottom of my heart, thank you for being a part of me and helping me with your time, talents and energy for the benefit and growth of our Association. Thank you for the admiration, enthusiasm and love which keeps me in proper perspective of how good my life is with the two of you always by my side and for all the years of encouragement and support which has helped me be a better person.

Our ancestors came from every corner of the globe, bringing many cultures, experiences and beliefs that have shaped our nation. By preserving our ethnic heritage, each of us can provide our nation with a source of strength and tradition in a rapidly changing world.

America was founded on the principle that we are all created equal, and this solemn commitment to tolerance and freedom binds us together. Our diversity and culture enriches and broadens our American experience. As we celebrate our own heritage, we take pride in our contributions to our great nation.

I am humbled by the stories our grandparents

and great-grandparents, who left everything in their homelands to bring about progress and hope to a new generation in a new world. With them, they brought the precious values of family, church, community, respect for life, respect for education and hard work. These precious values are fundamental and our legacy to pass on to others.

We also want to remember, thank and honor the men and women who are serving our country for the cause of freedom in maintaining peace around the world. Their ultimate sacrifice serves as a constant reminder of the high cost of freedom and the hope for a safer, more peaceful world.

You, as Convention delegates, have a very important task before you, and we are confident that your input and decisions will enable our Association to continue on the proper path of fraternal success.

To sustain this tradition, we must grow in members, in products and services, in fraternal activities and benevolent acts of generosity toward others.

WPA will always act with the highest level of integrity.

We are transforming the way we operate to continuously improve the responsibility we have to our members. We must also improve the responsibility we have to our employees. We must provide outstanding people the best opportunity to realize their potential.

You are truly our greatest asset today and tomorrow, and we could not accomplish what we do without your support and leadership. Throughout this Convention, I ask you to stay engaged, keep us proactive and help us shape the future of William Penn Association. My personal respect and thanks goes out to you all.

We thank you for your willingness to serve. May the good Lord guide us in all our deliberations.

Thank you.



Report of the National V.P.-Treasurer to the General Convention

by Diane M. Torma

Dear fellow delegates, guests and friends, It is a privilege to welcome all of you to William Penn Association's 39th General Convention. As a 32-year employee of WPA, I am honored to stand before you, having served in the capacity of National Vice President-Treasurer for 23 of those years--years which included many challenges, learning experiences and, through teamwork, many accomplishments.

One of the fundamental responsibilities of the office of the Treasurer is to facilitate the investment and safeguarding of the Association's assets according to policies dictated and set forth by the Board and in accordance with the stringent standards of the Pennsylvania Insurance Department and the National Association of Insurance Commissioners (known as the NAIC). The Finance Committee and I take this responsibility very seriously and exercise due diligence in our decision-making.

I am pleased to report that during the past four years, the Association has preserved its historical trend of superior financial performance. This is especially significant given the challenges confronted

by the Board and management. Since the last convention, we have continued to endure an extended record low interest rate environment.

Several financial milestones were achieved during the four-year period from 2014 to 2018, which warrant particular emphasis.

Assets reached an all-time high of \$467,647,000 in 2018. This represents a four-year increase of over \$113 million, or 32%. This growth is a result of a conscious sales initiative. With an increased sales force, along with a dedicated staff, consistently strong levels of life insurance and annuity business were realized, resulting in this asset growth.

While significant, it is still in the realm of controlled, tempered growth, which has been a hallmark of William Penn Association's philosophy for years. The steady growth of assets is a sure measure of strength and stability.

It is important to note that the assets are prudently managed, primarily in fixed income securities (bonds), which comprise 95% of assets. Despite the prolonged record low interest rates, a competitive investment yield has been maintained, without sacrific-

Photo by Alexander Patho

“During the past four years, the Association has preserved its historical trend of superior financial performance.”

ing quality or liquidity.

WPA’s investment strategy is to invest assets into high quality investment grade bonds, to ladder the maturities of those bonds to mitigate interest rate risk, to diversify among sectors in an effort to avoid over exposure in any single industry and to closely monitor the securities owned.

It has been and will continue to be consistently conservative.

Another milestone was life insurance in force, which was in excess of \$342,000,000 in 2018.

Premium income, which includes life and annuity premium, was over \$36 million in 2018. Life insurance premium remained very strong at over \$5 million. Annuity premium tends to fluctuate somewhat relative to market conditions. For the four-year period from 2014 through 2018, annuity premium was \$140 million, right in line with the prior 4-year period, which was \$141 million.

Of course, we realize that the loyal nature of our membership was instrumental in fulfilling these achievements.

The growth and strong income was attained, while expenses were controlled, resulting in an increase in operating gains over the past four years.

In 2018, an operating gain of \$3.5 million was realized, setting a record high.

The operating gains in turn impacted increases in surplus.

Surplus reached the strong level of \$33,200,000, indicating the Association’s secure financial position. Surplus has steadily increased in each of the past four years for a total of \$7.4 million, or 29 percent.

The solvency ratio maintained the secure level of 107.65%—meaning that for every one dollar in liabilities, the Association holds \$1.08 in assets, reflecting an impressive safety margin. Our success is not achieved at the risk of financial safety.

While William Penn Association may not be the largest or growing at the fastest pace, we pride our-

selves on the consistency and stability of our financial standing.

Being a 501(c)(8) fraternal benefit society, we are not exempt from regulation. There is an abundance of ever-changing and increasing regulatory requirements. Among them is an annual CPA audit by an independent auditor that is filed with the NAIC (National Association of Insurance Commissioners) and the Pennsylvania Insurance Department.

Every five years, we are also subject to a risk-focused examination by the Pennsylvania Insurance Department. Our most recent examination just began in September 2019 and will conclude in several months. This new breed of exam is very comprehensive and requires more work by both the examiners and the staff.

Risk-focused exams differ from financial exams in that they are “operational” and “prospective,” providing a look ahead at the future of the entire organization, while financial exams provide a snapshot of the insurer’s fiscal health at a moment in the past.

One of the objectives is to foster best practices that will lead to a sustainable business model so that fraternal can continue to provide benefits to their members and the communities they serve. Solid, solvent and profitable insurance operations are essential to achieving that goal.

It has been said that the key to prolonged success is steady growth, combined with controlled expenses. These are areas where William Penn Association has a proven record for more than 133 years.

The future is certain to hold many challenges for our Association and for the fraternal industry as a whole. But you and all of our members can rest assured that William Penn Association holds the resources—financial and otherwise—to meet these challenges with confidence and promise. And I am honored to share with all of you in the success of William Penn Association.

Thank you.



The Delegates

We salute the men and women who served as elected and ex-officio delegates to William Penn Association's 39th General Convention. Throughout the Convention, these members demonstrated the essence of Fraternalism. They may have been of different generations and backgrounds and hailed from different areas of the country, but they were united in their unwavering commitment to our Association and their fellow members. We thank them for their diligent service to their branches and their communities. Members, like our delegates pictured here, keep the flame of Fraternalism burning brightly.



Clockwise from left: John J. Torma Jr., Antoinette M. Kosheba, Roseann M. Vamos, Gary G. Vamos, Gabriella C. Medina, Marguerite T. McNelis and Rebecca L. Williams.



From left: Hyesun Corba, Laslo Corba, Noah P. G. Szabo, Sandor Tollas Jr., Katherine E. Novak, Frank Schauer and Miklos R. Schauer.



From left: Diane M. Walker, Debra A. Lewis, James R. Lewis, James R. Lewis Jr., John E. Burus, Susan M. Marshall and Erzsebet K. Wagner.



Clockwise from left: Karen L. Walker, David L. Vargo, Cynthia L. Smith, Richard J. Jacob, JoAnne L. Sedensky, Caroline H. Lanzara, Violet E. Sarosi and Richard E. Sarosi.

Photos by John E. Lovasz



Clockwise from front, left: Paul T. Kovacs, Michael J. Chobody, Jessica L. Chobody, Thomas J. Krzeminski, Suzanne Krzeminski, Dennis A. Chobody and Kathy M. Chobody.



From left: William Harry Nicholson, Emily E. Nicholson, Joyce E. Nicholson, Sara C. McKinsey-Barra, Beverly A. Rehtorik, Heather M. Kay and Rebekah L. Heilman.



Clockwise from left: James W. Robertson, Nicole M. Starnier, David M. Kozak, David S. Kozak, Betsy J. Griffith, Charlotte L. Sipos and Alexis C. Kozak.



From left: Marcia K. Gagner, Matthew J. Charles, Lynn M. Charles, Dianne A. Charles, John P. McKinsey Jr. and Justin L. McKinsey.



From left: Barbara Ann House, Ursula Markovits, Tamás L. Markovits, Joseph G. Bodnar, Thomas F. House and Evelyn B. Bodnar.



From left: Frank J. Halas, Leslie F. Petras, William J. Bero, Sandra H. Stasko, Schorlis J. Gotz, Lisa S. Toth-Maskarinec and Mark S. Maskarinec.



Clockwise from front left: Steven F. Beke, Christine K. Baldyga, Bruce Miller, Mark C. Schmidt, Anne Marie Schmidt, Ernest J. Mozer Jr., Rose M. Mozer and Marian I. Rubin.

To our delegates,
we offer our
sincere thanks
and appreciation.



The Board of Directors

The Association's new Board of Directors has a very familiar look, as all nine members of the previous Board were reelected by unanimous vote during the 39th General Convention. It was a vote of confidence by the membership that these nine individuals--with their combined experience, knowledge, dedication, loyalty and enthusiasm--were best capable of leading our Association into the future. The only change was in the Board's leadership, as the Directors chose Katherine E. Novak to serve as Chair and selected former Chair Andrew W. McNelis and Anne Marie Schmidt to serve as Vice Chairs. Our National Directors are (from left):

- **Andrew W. McNelis**, 72, Vice Chair, now in his 7th term as a Director and a member of Branch 34 Pittsburgh, Pa.
- **Michael J. Chobody**, 42, elected to his second term on the Board and a member of Branch 88 Rural Valley, Pa.
- **Anne Marie Schmidt**, 68, Vice Chair, a member of the Board since 2007 and a member of Branch 249 Dayton, Ohio.
- **David M. Kozak**, 71, begins his second term and is a member of Branch 8 Johnstown, Pa.
- **Joyce E. Nicholson**, 63, also begins her second term as a Director and is a member of Branch 349 Weirton, W.Va.
- **James W. Robertson**, 66, a member of the Board since 2011 and a member of Branch 336 Harrisburg, Pa.
- **Debra A. Lewis**, 65, a member of Branch 129 Columbus, Ohio, begins her second term on the Board.
- **Richard E. Sarosi**, 64, a member of the Board since 2011 and a member of Branch 14 Cleveland, Ohio.
- **Katherine E. Novak**, 65, the new Chair, a Director since 2011 and a member of Branch 28 Youngstown, Ohio.

We congratulate the members of our new Board of Directors and wish them well as they work together for the continued success of William Penn Association.

Photo by John E. Lovasz



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

GREETINGS:

It is my pleasure to join with the William Penn Association in celebration of its 39th General Convention.

Since 1886, the William Penn Association has demonstrated a commitment to making a difference in the lives of countless Hungarian Pennsylvanians. I commend this organization for their dedication to helping one another by advocating for the rights of Hungarian immigrants working in mines and industrial centers. The William Penn Association has worked tirelessly to make our society more conscientious of the people in these industries and more culturally aware of Hungarian immigrants as well as provide its members with essential services to improve quality of life. This organization represents the values and traditions of the commonwealth with great distinction, and I am confident your legacy of service will continue to inspire others for many years to come.

As Governor and on behalf of all citizens of the Commonwealth of Pennsylvania, I am delighted to welcome everyone to celebrate the 39th General Convention of the William Penn Association. Please accept my best wishes for continued success.



Tom Wolf
TOM WOLF
Governor

October 12-14, 2019



Minutes

of the 39th General Convention of William Penn Association

**MINUTES OF THE
39th GENERAL CONVENTION
OF THE WILLIAM PENN ASSOCIATION
HELD ON OCTOBER 13-14, 2019
AT THE DOUBLETREE BY HILTON HOTEL
PITTSBURGH, GREEN TREE, PA**

SUNDAY, OCTOBER 13, 2019

1. Call to Order. Chair of the Convention Andrew W. McNelis welcomed the Delegates to the 39th General Convention and called the Convention to order at 9:05 A.M. He introduced the members seated at the head table and guest table.

Chair McNelis presented comments on the history of William Penn Association and offered thanks to present members, the Board of Directors and employees for their continuous support. He expressed that it has been his honor to serve as Chair of the Board during the past four years.

He then stated the parliamentary procedures for the Convention as follows:

All members of the Convention are expected to be courteous in their speech and conduct. Each speaker will be expected to present his or her views clearly and calmly. Only that Delegate who has been recognized by the presiding Chair may speak. All comments are not to exceed five (5) minutes.

Only those matters may be discussed at the Convention which have been included in the Agenda and in accordance with the By-Laws.

Please silence all phones and devices. Anyone whose phone or device rings must pay \$20 to the William Penn Fraternal Association Scholarship Foundation, payable immediately.

Chair of the Convention McNelis called upon the Chair of the Sergeant-at-Arms, David M. Kozak, to introduce himself and his Committee Members.

David M. Kozak, Chair
Michael J. Chobody, Vice Chair
Matthew J. Charles
David S. Kozak
James R. Lewis, Jr.

Justin L. McKinsey
John J. Torma, Jr.

2. Presentation of Colors. Marine Corps League, South Hills, Detachment #726, Pittsburgh, presented the American and Hungarian flags.

3. Pledge of Allegiance. Chair Andrew W. McNelis led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

4. National Anthem. The assembly sang the National Anthem.

5. Invocation. Rev. John P. McKinsey, Jr. offered the invocation.

6. Chair of Credentials Committee / Report Submitted. Chair of the Convention McNelis called upon Katherine E. Novak, Chair of the Credentials Committee, for the Credentials Committee Report.

The William Penn Association Board of Directors, in compliance with Article 2, Section 204, Point 1, of the WPA By-Laws, unanimously approved the following as members of the Credentials Committee. Chair Novak introduced the members of the Credentials Committee:

Katherine E. Novak, Chair
Suzanne Krzeminski
James W. Robertson
Richard E. Sarosi
Nicole M. Starnier
Sandor Tollas, Jr.

Diane M. Torma, National V.P./Treasurer,
Invited Guest

The Credentials Committee met on Saturday, October 12, 2019 at 6:30 P.M. in the Allegheny Room at the Double-Tree by Hilton Hotel, Pittsburgh, Green Tree, PA.

The Credentials Committee certified that the Chairmen of twenty-five (25) Delegate Districts submitted reports of election of delegates to National Vice President / Secretary Jerry A. Hauser. A total of 69 delegates were elected and certified by National Vice President/Secretary Jerry A. Hauser on September 9, 2019 with names appearing in the October 2019 issue of *William Penn Life*.

On July 31, 2019, National Vice President/Secretary Jerry A. Hauser was informed that Frank L. Wargo of Delegate District #5 would not be able to attend WPA's 39th General Convention. National Vice President/Secretary Hauser certified First Alternate Lynn M. Chamberlain as Delegate in representing District #5.

On August 27, 2019, General Counsel confirmed that Steven R. Evans was ineligible to serve as an Alternate Delegate for District #10 due to his re-employment with the Association. Per qualifications under WPA By-Laws, no employee of the Association can serve as a Delegate/Alternate Delegate.

On August 28, 2019, National Vice President/Secretary Jerry A. Hauser was informed that first Alternate Delegate Lynn M. Chamberlain of Delegate District #5 will be unable to attend WPA's 39th General Convention in place of Delegate Frank L. Wargo, who is unable to attend. Na-

tional Vice President/Secretary Hauser certified Second Alternate Violet E. Sarosi as Delegate in representing District #5.

On August 30, 2019, National Vice President/Secretary Jerry A. Hauser was informed that Brian P. Bowens of Delegate District #5 would not be able to attend WPA's 39th General Convention. National Vice President/Secretary Hauser certified Third Alternate Cynthia L. Smith as Delegate in representing District #5.

From the signed index cards presented at the registration desk, the Committee hereby certifies sixty-nine (69) elected delegates and eleven (11) ex-officio delegates, for a grand total of eighty (80) delegates, who have registered for the 39th General Convention of the William Penn Association.

MOVED BY JOYCE E. NICHOLSON, SECONDED BY ANNE MARIE SCHMIDT AND THE DELEGATES OF THE CONVENTION ACCEPTED THE REPORT OF THE CREDENTIALS COMMITTEE.

7. Roll Call. Secretary of the Convention Dora S. McKinsey called the roll. Secretary McKinsey reported that a quorum was present for the 39th General Convention.

8. Delegates / Sworn In. Ralph F. Manning, Esq., swears in the Delegates representing William Penn Association's 39th General Convention.

9. Agenda / Approval.

MOVED BY RICHARD E. SAROSI, SECONDED BY JAMES W. ROBERTSON AND THE DELEGATES APPROVED THE AGENDA WITH THE PROVISION THAT ANY MATTER APPROPRIATE TO THE CONVENTION BE ADDED.

10. National President George S. Charles, Jr. / Remarks. National President George S. Charles, Jr. extended warm greetings and remarks to the Convention. He extended thanks to the Board of Directors, the National Officers and Home Office staff for their dedication and support.

11. Diane M. Torma, National Vice President / Treasurer / Financial Report. National Vice President/Treasurer Diane M. Torma welcomed the delegates to the 39th General Convention. She then presented the financial report on William Penn Association covering the last four (4) years.

12. Chair of Resolutions Committee / Report Submitted. Chair of the Convention McNelis called upon Anne Marie Schmidt, Chair of the Resolutions Committee, for the presentation of the Resolutions. Chair Schmidt introduced the members of the Resolutions Committee:

Anne Marie Schmidt, Chair
Debra A. Lewis, Vice Chair
John E. Burus
Dennis A. Chobody
Joyce E. Nicholson
Gary G. Vamos
Diane M. Walker

13. Convention Honorarium Resolution / Adopted.

THE 39th GENERAL CONVENTION IN REGULAR SESSION HEREBY RESOLVES THAT REGARDLESS OF

THE NUMBER OF DAYS THE GENERAL CONVENTION SHALL BE IN SESSION, THE HONORARIUM FOR EACH OF THE ELECTED DELEGATES AND EX-OFFICIO DELEGATES PRESENT AT THE CONVENTION SHALL BE ESTABLISHED AT \$2,600.00.

MOVED BY DEBRA A. LEWIS, SECONDED BY JAMES W. ROBERTSON AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

14. Committees Honorarium Resolution / Adopted.

THE 39th GENERAL CONVENTION IN REGULAR SESSION HEREBY RESOLVES THAT ALL DELEGATE MEMBERS OF ALL COMMITTEES: NOMINATING, CREDENTIALS, ELECTION/TELLERS, RESOLUTIONS, AND SERGEANT-AT-ARMS, RECEIVE AN HONORARIUM OF \$200.00 EACH FOR THEIR SERVICES AT THE CONVENTION.

MOVED BY KATHERINE E. NOVAK, SECONDED BY JAMES W. ROBERTSON AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

15. Delegate Mileage Reimbursement / Adopted.

THE 39th GENERAL CONVENTION IN REGULAR SESSION HEREBY RESOLVES THAT THE DELEGATE MILEAGE REIMBURSEMENT BE CONSISTENT WITH THE IRS MILEAGE REIMBURSEMENT AS ALLOWED BY LAW.

MOVED BY KATHERINE E. NOVAK, SECONDED BY JAMES W. ROBERTSON AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

16. Number of National Directors / Adopted.

THE 39th GENERAL CONVENTION IN REGULAR SESSION HEREBY RESOLVES THAT THE NUMBER OF NATIONAL DIRECTORS BE NINE (9) MEMBERS FOR THE ENSUING FOUR YEAR TERM.

MOVED BY ANNE MARIE SCHMIDT, SECONDED BY MICHAEL J. CHOBODY AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

17. Official and Travel Per Diems Resolution / Adopted.

THE 39th GENERAL CONVENTION IN REGULAR SESSION RESOLVES THAT FOR THE ENSUING FOUR YEAR TERM, THE OFFICIAL PER DIEM SHALL BE \$350.00 PER DAY. IN ADDITION, THOSE DIRECTORS ON OFFICIAL BUSINESS FOR THE ASSOCIATION SHALL BE ENTITLED TO A \$350.00 TRAVEL PER DIEM PLUS MILEAGE REIMBURSEMENT AS ALLOWED BY THE IRS (CURRENTLY 58 CENTS PER MILE), FOR THOSE TRAVELING 100 MILES OR MORE, ONE WAY, FROM PERMANENT PLACE OF RESIDENCE TO PITTSBURGH AND \$350.00 PLUS MILEAGE REIMBURSEMENT AS ALLOWED BY THE IRS FOR RETURN FROM PITTSBURGH TO RESIDENCE.

FOR THOSE TRAVELING LESS THAN 100 MILES ONE WAY, THEY SHALL BE ENTITLED TO A \$175.00 TRAVEL PER DIEM PLUS MILEAGE REIMBURSEMENT AS ALLOWED BY THE IRS COMING TO PITTSBURGH AND \$175.00 PLUS MILEAGE REIMBURSEMENT AS ALLOWED BY THE IRS RETURNING HOME. ANY

DIRECTOR WHO STAYS AT THE DESIGNATED HOTEL FOR ANY BOARD / COMMITTEE MEETING SHALL BE ENTITLED TO \$125.00 PER DAY FOR EACH NIGHT AT THE HOTEL.

MOVED BY DIANE M. WALKER, SECONDED BY NICOLE M. STARNER AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADOPTED THE OFFICIAL AND TRAVEL PER DIEMS RESOLUTION.

18. WPA By-Laws Amendments / Reviewed. Chair of the Convention McNelis introduced the members of the By-Laws Committee:

Andrew W. McNelis
Katherine E. Novak
Anne Marie Schmidt
Debra A. Lewis
James W. Robertson
George S. Charles, Jr.
Diane M. Torma
Ralph F. Manning, Esq.

Chair of the Convention McNelis called upon Ralph F. Manning, Esq. to review the proposed By-Laws Amendments for the benefit of the assembled delegates. Attorney Manning reviewed and explained a summary of the proposed By-Laws amendments.

19. WPA By-Laws Amendments / Adopted.

MOVED BY JAMES W. ROBERTSON, SECONDED BY MARGUERITE T. MCNELIS TO AMEND THE WPA BY-LAWS BY DELETING THE CURRENT BY-LAWS AND INSERTING IN THEIR PLACE THE PROPOSED BY-LAWS PRESENTED TO AND AMENDED BY THE 39th GENERAL CONVENTION AND FURTHER AUTHORIZING THAT THE OFFICERS MAY CHANGE MINOR WORDING WHICH MAY BE REQUIRED BY THE VARIOUS INSURANCE DEPARTMENTS.

20. WPA By-Laws / Placed Into Effect.

MOVED BY DAVID M. KOZAK, SECONDED BY DEBRA A. LEWIS THAT THE NEWLY APPROVED BY-LAWS BE IMMEDIATELY PLACED INTO EFFECT SUBJECT TO THE APPROVAL OF THE PENNSYLVANIA INSURANCE DEPARTMENT.

21. WPA By-Laws / Effective Date Inserted. National Vice President/Treasurer Diane M. Torma read the following Resolution:

THE 39th GENERAL CONVENTION HEREBY RESOLVES THAT THE NATIONAL VICE PRESIDENT/ SECRETARY SHALL INSERT THE EFFECTIVE DATE OF APPROVAL OF THE WPA BY-LAWS BY THE PENNSYLVANIA INSURANCE COMMISSIONER IN ARTICLE 27, EFFECTIVE DATE AND THEY SHALL APPLY TO ALL BENEFIT CERTIFICATES OF MEMBERSHIP ISSUED OR ASSUMED ON OR AFTER SAID DATE.

MOVED BY DIANE M. TORMA, SECONDED BY RICHARD E. SAROSI AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

22. Administration Committee to Correct By-Laws / Authorized. National Vice President/Treasurer Diane M. Torma read the following Resolution:

THE 39th GENERAL CONVENTION IN REGULAR SESSION HEREBY AUTHORIZES THE ADMINISTRATION COMMITTEE OF THE ASSOCIATION TO CORRECT ANY TYPOGRAPHICAL ERRORS THAT MIGHT APPEAR IN THE BY-LAWS ADOPTED AT THIS CONVENTION, TO RENUMBER ARTICLES, SECTIONS AND SUB-PARAGRAPHS IN CODIFYING THE SAME SO AS TO PLACE THEM IN PROPER ORDER WITHOUT CHANGING THE CONTEXT, INTENT AND PURPOSES THEREOF.

MOVED BY DIANE M. TORMA, SECONDED BY GEORGE S. CHARLES, JR. AND THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

23. Chair of the Nominating Committee / Report Submitted. Chair of the Convention McNelis called upon Chair of the Nominating Committee George S. Charles, Jr. to introduce the members of the Nominating Committee and give the Committee's report.

George S. Charles, Jr., Chair
Andrew W. McNelis, Vice Chair
Laslo Corba
Marcia K. Gagner
Sara C. McKinsey-Barra
Ernest J. Mozer, Jr.
Karen L. Walker

In accordance with the By-Laws, Section 204, 2(a), the Nominating Committee met on October 12, 2019 to interview all candidates who wish to run for Director or Alternate Director. Following these interviews, the Nominating Committee entered into a thorough discussion regarding the candidates interviewed. The Nominating Committee recommends to the 39th General Convention, the following nine (9) candidates for National Director.

MICHAEL J. CHOBODY
DAVID M. KOZAK
DEBRA A. LEWIS
ANDREW W. MCNELIS
JOYCE E. NICHOLSON
KATHERINE E. NOVAK
JAMES W. ROBERTSON
RICHARD E. SAROSI
ANNE MARIE SCHMIDT

Chair of the Convention McNelis asked the nine (9) candidates nominated for National Directors to stand and do they accept their nomination. All answered in the affirmative.

24. Nominating Committee Report / Accepted.

MOVED BY GEORGE S. CHARLES, JR., SECONDED BY SARA C. MCKINSEY-BARRA AND THE DELEGATES OF THE 39th GENERAL CONVENTION ACCEPTED THE REPORT OF THE NOMINATING COMMITTEE.

25. Nominations for National Directors / Closed. Chair of the Convention McNelis asked three (3) times if there were any nominations from the floor for position of National Directors. There being none, nominations were closed for National Director.

MOVED BY JUSTIN L. MCKINSEY, SECONDED BY RICHARD E. SAROSI AND THE DELEGATES OF THE

39th GENERAL CONVENTION CLOSED THE NOMINATIONS FOR NATIONAL DIRECTORS.

26. Chair of the Nominating Committee / Report for National Alternate Directors / Submitted. Chair of the Nominating Committee George S. Charles, Jr. submitted the report of the Nominating Committee for National Alternate Directors.

The Nominating Committee interviewed candidates for National Alternate Directors. The Nominating Committee recommends to the 39th General Convention the following nine (9) candidates for National Alternate Directors:

CHRISTINE K. BALDYGA
JOHN E. BURUS
SUZANNE KRZEMINSKI
JAMES R. LEWIS, JR.
JUSTIN L. MCKINSEY
SARA C. MCKINSEY-BARRA
NICOLE M. STARNER
GARY G. VAMOS
DIANE M. WALKER

Chair of the Convention McNelis asked the nine (9) candidates nominated for National Alternate Directors to stand and do they accept their nomination. All answered in the affirmative.

27. Nominating Committee Report / National Alternate Director / Accepted.

MOVED BY GEORGE S. CHARLES, JR., SECONDED BY MARGUERITE T. MCNELIS AND THE DELEGATES OF THE 39th GENERAL CONVENTION ACCEPTED THE REPORT OF THE NOMINATING COMMITTEE FOR NATIONAL ALTERNATE DIRECTOR.

28. Nominations for National Alternate Directors. Chair of the Convention McNelis asked (3) times if there were any nominations from the floor for position of National Alternate Directors. There being none, nominations were closed for National Alternate Directors.

29. Nominations for National Alternate Directors / Closed.

MOVED BY KATHERINE E. NOVAK, SECONDED BY JOYCE E. NICHOLSON AND THE DELEGATES OF THE 39th GENERAL CONVENTION CLOSED NOMINATIONS FOR NATIONAL ALTERNATE DIRECTORS.

30. Report of CPA Leo A. Hannah. Chair of the Convention McNelis introduced Leo A. Hannah, MBA, Partner, H2R CPA. Mr. Hannah submitted the CPA Report on William Penn Association for the past four years.

31. Financial Report / Acknowledged.

MOVED BY GEORGE S. CHARLES, JR., SECONDED BY DAVID M. KOZAK AND THE DELEGATES OF THE 39th GENERAL CONVENTION ACKNOWLEDGED THE REPORT OF CPA LEO A. HANNAH.

32. National Directors / Elected.

MOVED BY GEORGE S. CHARLES, JR., SECONDED BY KATHERINE E. NOVAK AND THE DELEGATES OF THE 39th GENERAL CONVENTION VOTED THE FOL-

LOWING NINE (9) BY ACCLAMATION TO THE OFFICE OF NATIONAL DIRECTOR: MICHAEL J. CHOBODY; DAVID M. KOZAK; DEBRA A. LEWIS; ANDREW W. MCNELIS; JOYCE E. NICHOLSON; KATHERINE E. NOVAK; JAMES W. ROBERTSON; RICHARD E. SAROSI; ANNE MARIE SCHMIDT.

33. National Alternate Directors / Elected.

MOVED BY GEORGE S. CHARLES, JR., SECONDED BY KATHERINE E. NOVAK AND THE DELEGATES OF THE 39th GENERAL CONVENTION VOTED THE FOLLOWING NINE (9) BY ACCLAMATION TO THE OFFICE OF NATIONAL ALTERNATE DIRECTORS: CHRISTINE K. BALDYGA; JOHN E. BURUS; SUZANNE KRZEMINSKI; JAMES R. LEWIS, JR.; JUSTIN L. MCKINSEY; SARA C. MCKINSEY-BARRA; NICOLE M. STARNER; GARY G. VAMOS; DIANE M. WALKER.

34. Newly Elected National Directors / Installed. Ralph F. Manning, Esq. administered the oath of office to the newly elected National Directors.

35. Newly Elected Alternate National Directors / Installed. Ralph F. Manning, Esq. administered the oath of office to the newly elected Alternate National Directors.

36. Scholarship Donations / Read. National Vice President/Treasurer Diane M. Torma read the donations received for the WPFA Scholarship Foundation, Inc.

37. Convention / Recessed. Chair of the Convention McNelis recessed the General Convention until 9:00 A.M. Monday, October 14, 2019.

MONDAY, OCTOBER 14, 2019

38. Convention / Reconvened. Chair of the Convention Andrew W. McNelis reconvened the 39th General Convention at 9:00 A.M.

39. Roll Call. Secretary of the Convention Dora S. McKinsey proceeded with the roll call and reported that a quorum was present.

40. Convention Minutes dated Sunday, October 13, 2019 Read / Accepted. Secretary of the Convention McKinsey read the Minutes of the 39th General Convention held on Sunday, October 13, 2019.

MOVED BY JAMES W. ROBERTSON, SECONDED BY ANNE MARIE SCHMIDT AND THE DELEGATES OF THE 39th GENERAL CONVENTION ACCEPTED THE CONVENTION MINUTES DATED SUNDAY, OCTOBER 13, 2019.

41. Chair and Vice Chairs of the Board / Announced. National President Charles announced the names of the newly elected Chair and Vice Chairs of the Board of Directors – for Chair of the Board-Katherine E. Novak; for Vice Chairs of the Board-Andrew W. McNelis and Anne Marie Schmidt.

42. Chair and Vice Chairs of the Board / Installed. The Chair and Vice Chairs of the Board of Directors were called to the podium, and Ralph F. Manning, Esq. installed the newly elected Chair and Vice Chairs of the Board of Directors.

43. National Officers / Announced. Chair of the Convention McNelis announced the names of the newly elected National Officers – for National President-George S. Charles, Jr.; for National Vice President/Secretary-Cassandra Holmes; for National Vice President/Treasurer-Diane M. Torma; for National Vice President/Internal Operations-Steven F. Charles.

44. National Officers / Installed. The National Officers were called to the podium and Ralph F. Manning, Esq. installed the newly elected National Officers.

45. Memorial Service / Conducted. Reverend Dr. Joseph G. Bodnar conducted the Memorial Service. The Memorial Service commemorated the passing of former Officers, Board of Directors, Auditing Committee Members, Home Office Employees, Branch Officers, Coordinators and Illustrious Members.

46. Report of the Board of Directors and National Officers / Resolution Approved and Accepted. Delegate Anne Marie Schmidt presented the following Resolution:

MOVED BY ANNE MARIE SCHMIDT, SECONDED BY KATHERINE E. NOVAK AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADOPTED THE FOLLOWING RESOLUTION:

BE IT RESOLVED THAT THE DELEGATES OF THE 39th GENERAL CONVENTION APPROVE AND ACCEPT THE REPORT OF THE BOARD OF DIRECTORS AND NATIONAL OFFICERS AND RATIFY THE ACTIONS OF THE NATIONAL OFFICERS AND BOARD OF DIRECTORS FOR THE YEARS 2015 THROUGH 2018.

47. Directors Honorarium Resolution / Adopted. Anne Marie Schmidt, Chair of the Resolutions Committee presented the following Resolutions:

WHEREAS, THE DELEGATES OF THE 39th GENERAL CONVENTION IN REGULAR SESSION RESOLVES THAT THE HONORARIUM OF THE NATIONAL DIRECTORS BE \$11,000.00 PER ANNUM.

MOVED BY DENNIS A. CHOBODY, SECONDED BY WILLIAM HARRY NICHOLSON AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADOPTED THE RESOLUTION.

48. Investment and Properties Resolution / Adopted.

MOVED BY ANNE MARIE SCHMIDT, SECONDED BY RICHARD E. SAROSI AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADOPTED THE FOLLOWING RESOLUTION:

WHEREAS, THE BOARD OF DIRECTORS OF THE WILLIAM PENN ASSOCIATION IS CHARGED UNDER THE ASSOCIATION'S BY-LAWS WITH THE ULTIMATE DUTY TO MANAGE THE ASSOCIATION'S INVESTMENTS AND PROPERTY, AND

WHEREAS, THE ASSOCIATION'S ASSETS MUST BE AVAILABLE TO SERVE MANY PURPOSES, INCLUDING WITHOUT LIMITATION:

- THE PAYMENT OF BENEFITS TO THE HOLDERS OF BENEFIT CERTIFICATES;

- SUPPORT AND SPONSORSHIP OF ACTIVITIES TO PROMOTE HUNGARIAN CULTURE;
- FRATERNAL ACTIVITIES TO ENHANCE THE INTEREST OF CURRENT MEMBERS IN THE ASSOCIATION AND TO ATTRACT NEW MEMBERS; AND
- CHARITABLE AND BENEVOLENT ACTIVITIES.

THEREFORE BE IT RESOLVED BY THE 39th GENERAL CONVENTION OF THE WILLIAM PENN ASSOCIATION THAT THE ASSOCIATION'S BOARD OF DIRECTORS ARE DIRECTED TO CONTINUOUSLY REVIEW THE ASSOCIATION'S INVESTMENTS AND PROPERTIES, AND

BE IT FURTHER RESOLVED THAT THE ASSOCIATION'S BOARD OF DIRECTORS ARE AUTHORIZED TO TAKE WHATEVER ACTIONS MAY BE NECESSARY TO DISPOSE OF NON-PRODUCTIVE ASSETS, AS THE ASSOCIATION'S BEST INTERESTS MAY REQUIRE.

49. Fraternal, Charitable and Benevolent Resolution/Adopted.

MOVED BY ANNE MARIE SCHMIDT, SECONDED BY JAMES R. LEWIS AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADOPTED THE FOLLOWING RESOLUTION:

WHEREAS, THE FRATERNAL AND CHARITABLE ACTIVITIES OF THE WILLIAM PENN ASSOCIATION ARE OF CRUCIAL IMPORTANCE TO KEEPING CURRENT MEMBERS INVOLVED IN THE ASSOCIATION'S AFFAIRS AND

WHEREAS, SAID FRATERNAL AND CHARITABLE ACTIVITIES ARE ABSOLUTELY ESSENTIAL IF THE ASSOCIATION IS TO ATTRACT NEW MEMBERS AND

WHEREAS, SAID FRATERNAL AND CHARITABLE ACTIVITIES ENHANCE THE OPPORTUNITIES FOR THE ASSOCIATION AND ITS MEMBERS TO PLAY A CONSTRUCTIVE AND BENEVOLENT ROLE IN SOCIETY,

BE IT THEREFORE RESOLVED BY THE 39th GENERAL CONVENTION OF THE WILLIAM PENN ASSOCIATION THAT THE GENERAL CONVENTION STRONGLY RECOMMENDS THAT THE ASSOCIATION'S BOARD OF DIRECTORS PROVIDE THE NECESSARY FUNDS FOR THE ASSOCIATION AND ITS BRANCHES TO CARRY OUT FRATERNAL, CHARITABLE AND BENEVOLENT ACTIVITIES INCLUDING, BUT NOT LIMITED TO:

- SCHOLARSHIP GRANTS;
- NATIONAL BOWLING TOURNAMENTS;
- NATIONAL GOLF TOURNAMENTS;
- MEMBERSHIP PICNIC;
- SUPPORTING OR SPONSORING PUBLICATION OF HUNGARIAN BOOKS FOR EASIER LEARNING OF THE HUNGARIAN LANGUAGE;
- SUPPORTING BOY AND GIRL SCOUT ACTIVITIES;

• CONTINUING TO HAVE THE HUNGARIAN LANGUAGE TAUGHT EITHER IN OUR BRANCHES OR IN AREA SCHOOLS OR BY FINANCIALLY SUPPORTING SIMILARLY OPERATED CLASSES;

• CONTINUING PUBLICATION OF THE *WILLIAM PENN LIFE*;

• FINANCIAL SUPPORT OF HUNGARIAN PARISHES OR CONGREGATIONS OF WHATEVER RELIGIOUS DENOMINATION, ESPECIALLY THOSE WHERE SERVICES ARE CARRIED ON IN THE HUNGARIAN LANGUAGE;

• SPONSORING TOURS TO HUNGARY AND TO OTHER COUNTRIES TO ACCOMMODATE OUR MUCH FACETED MEMBERSHIP;

• FINANCIAL SUPPORT OF A REPOSITORY FOR THE HISTORICAL RECORDS OF THE WILLIAM PENN ASSOCIATION;

• CONTINUING TO SPONSOR FAMILY CHRISTMAS PARTIES AS A FRATERNAL ACTIVITY; AND

• CONTINUING TO SPONSOR CHRISTMAS AND EASTER BASKET PROGRAMS FOR THOSE IN NEED.

50. Scholarship Donations / Read. National Vice President/Treasurer Diane M. Torma read additional donations to the WPFA Scholarship Foundation, Inc.

51. Chair of the Convention / Closing Remarks. Chair of the Convention Andrew W. McNelis gave his closing remarks on the last four years of being Chair of the Board of William Penn Association.

52. Award Presented. National Director James W. Robertson requested that the 2015-2019 Board of Directors join Convention Chair Andrew W. McNelis on stage, along with Ralph F. Manning, Esq. to present retiring Chair of the Board Andrew W. McNelis with a special gold award for his years of service to William Penn Association.

53. Portrait / Presented. National President Charles, National Vice President/Secretary Holmes, National Vice President/Treasurer Torma and National Vice President/Internal Operations Charles presented retiring Chair of the Board Andrew W. McNelis with his portrait to be hung on the walls of the Home Office.

54. Benediction. Rev. John P. McKinsey, Jr. offered the benediction.

55. Convention / Adjourned. Chair of the Convention McNelis mentioned that all the work on the Agenda is complete and asked for a motion to adjourn. He wished everyone a safe and pleasant journey to their homes.

MOVED BY MARK C. SCHMIDT, AND THE DELEGATES OF THE 39th GENERAL CONVENTION ADJOURNED THE MEETING.

Respectfully submitted,
Dora S. McKinsey
Convention Secretary

SEEN at the Convention





Guests at the Convention Banquet

PHOTOS BY ALEXANDER PATHO, JR.







The By-Laws of William Penn Association

As amended and adopted at the 39th General Convention
held October 13 and 14, 2019, in Pittsburgh, Pennsylvania

Mission Statement of William Penn Association

The mission of the Association is to provide financial security to its members through quality life insurance and annuity products and to support fraternal, ethnic, cultural, charitable, educational, patriotic and religious activities.

In pursuit of this mission, the Association will achieve results in the following areas:

- 1. Render service to its members and perform fraternal, ethnic, cultural, educational, patriotic and religious works;*
- 2. Provide scholarships to its qualifying members, through the William Penn Fraternal Association Scholarship Foundation, Inc; and*
- 3. Promote and support the study of the Hungarian language, culture and arts, and unite American Hungarians to preserve, protect and perpetuate the Hungarian heritage, as established by the Founding Fathers of the Association.*

THE BY-LAWS

OF WILLIAM PENN ASSOCIATION

ARTICLE 1

THE ASSOCIATION

Section 101. NAME

The name of this corporation is William Penn Association (the "Association"), a fraternal benefit society, incorporated in Pennsylvania, not for profit, without capital stock. The Association is designated as a tax exempt Section 501 (c)(8) fraternal beneficiary society by the U.S. Internal Revenue Service.

Section 102. HISTORY

The Association was founded on February 21, 1886 in Hazleton, Pennsylvania, by thirteen Hungarian coal miners. The original name was Verhovay Aid Association. In 1926, the Home Office was moved to Pittsburgh, Pennsylvania. Throughout the decades of its fraternal work, the Association offered assistance to many Hungarian fraternal societies, both local and national, when these fraternal societies were no longer able to successfully continue their aims and purposes. This assistance involved merging those societies into the William Penn Association, so that those who were insured in those societies would not lose their benefits. Major mergers included the Workingmen's Sick Benefit Federation (Munkás Betegsegélyző Szövetség), East Pittsburgh, Pennsylvania and the Hungarian Baptist Society (Magyar Baptista Egylet), Cleveland, Ohio.

The major merger occurred in 1955 when the Verhovay Fraternal Insurance Association and the Rákoczi Aid Association of Bridgeport, Connecticut, (the "Rákoczi") merged to form the William Penn Fraternal Association. The Rákoczi was organized in Bridgeport, Connecticut in 1888. Thus, the two largest Hungarian fraternal societies at that time merged to form a stronger Association in order to preserve Hungarian culture in America.

In 1972, the name was changed to the present William Penn Association.

In 1979, the American Life Insurance Association (Bridgeporti Szövetség) merged into the William Penn Association.

In 1980, the American Hungarian Catholic Society, Cleveland, Ohio, which was formed by merger between the St. László Society (Bridgeport, Connecticut) and the St. Stephen Society (Cleveland, Ohio), merged into the William Penn Association.

In 1983, the Catholic Knights of St. George, which was organized in Pittsburgh, Pennsylvania, January 1, 1881, as the Knights of St. George of the Diocese of Pittsburgh and Allegheny County, Pennsylvania, merged into the William Penn Association.

Section 103. REGISTERED OFFICE

The registered office of the Association shall be domiciled in Pittsburgh, Pennsylvania.

Section 104. BUSINESS AND PURPOSES

The business of the Association will be conducted in accordance with the purposes of fraternal benefit societies. The Association shall provide for payment of death,

disability, annuity, and other benefits for its members and their beneficiaries and shall exercise all other powers granted by the laws of the Commonwealth of Pennsylvania and the various jurisdictions wherein it is licensed to do business. The Association may also engage in the following activities:

1. Render service to its members and perform cultural, charitable, educational, patriotic and religious work.
2. Provide scholarships to its qualifying members, through the William Penn Fraternal Association Scholarship Foundation, Inc.
3. Promote and support the study of the Hungarian language, culture and arts, and unite American Hungarians to preserve, protect and perpetuate the Hungarian heritage, as established by the Founding Fathers of the Association.

Section 105. SEAL; LANGUAGE

1. The official seal is a circle around two clasped hands, inscribed, "Founded 1886". Outer circle is inscribed, "WILLIAM PENN ASSOCIATION, Pittsburgh, PA."
2. The official language is English. Hungarian may be used when necessary.

Section 106. GOVERNMENT

The Association will have a representative form of government, operating on the Lodge System with ritualistic form. The Association shall have the power to amend its By-Laws and its Charter, as the interests of the Association and its membership may require.

Section 107. MEMBERSHIP

1. Membership shall be extended to any person in accordance with the requirements and limitations set forth in the Charter, the By-Laws, and the resolutions of the Board. Membership shall include Voting Members and Non-Voting Members.
2. An Adult Benefit Member shall have the right to vote at all meetings of the Branch in which he or she is a Member and to hold office unless such rights are restricted by or in accordance with these By-Laws. An Annuitant Member who maintains a minimum annuity balance of \$500.00 shall be deemed to be an Adult Benefit Member or a Juvenile Benefit Member, as the case may be. Applicants applying for life insurance or annuities with the Association shall have a valid United States social security number or taxpayer identification number.
3. Application for Juvenile Benefit Membership and insurance may be made on behalf of such potential juvenile member by any adult person. Such adult person need not be a Member of the Association, but must have an insurable interest.
4. Unless otherwise provided by law, admission to a Branch shall not be required of a Juvenile Benefit Member nor shall he or she have a voice or vote in the affairs of the Association. Once a Juvenile Benefit Member has attained the age of sixteen (16) years, said Member shall become an Adult Benefit Member. Unless otherwise provided by law, the person who applies for membership and insurance

on behalf of a juvenile shall not, by reason thereof or by reason of any benefit providing waiver of premium in the event of disability or death of the applicant, become either a Benefit Member of this Association or a member of any Branch of this Association.

5. A Benefit Member may be assigned to a Branch of his or her own choosing or to a Branch in or near said Member's residential area. Except as otherwise provided herein, a Benefit Member cannot transfer to another Branch within one (1) year prior to a Delegate District Election Meeting. The foregoing prohibition shall not apply to a Benefit Member who has moved his or her primary residence within or after said one (1) year period, and by reason of such move desires to transfer to a Branch located in or near said Member's new residential area. All transfers shall require the approval by the National Vice President-Secretary (or, in his or her absence, the National President) of the Member's written request for such transfer.

6. No Member may belong to more than one (1) Branch.

7. A non-Member may participate as a guest in all social and fraternal activities sponsored by the Association or by a Branch of the Association under rules established by the Board, but shall not be permitted to vote or participate in meeting discussions at any Branch meeting.

ARTICLE 2

THE GENERAL CONVENTION

Section 201. GOVERNING BODY

1. The General Convention shall be the highest governing body of the Association and shall consist of Delegates elected as provided in Section 205 of these By-Laws, together with the ex-officio Delegates as provided herein. The ex-officio Delegates shall consist of the National President, National Vice President-Secretary, National Vice President-Treasurer, other Vice Presidents, Directors, and National Advisory Committee members. All elected Delegates and ex-officio Delegates shall be entitled to one vote each. All elected Delegates and ex-officio Delegates are subject to the qualification requirements of Section 205.1 hereof.

2. a. The elected Delegates shall constitute not less than two-thirds (2/3) of the total number of Delegates certified to attend the General Convention.

b. At any Regular or Special Session of the General Convention, a quorum shall consist of a majority of all elected and ex-officio Delegates certified to attend.

Section 202. REGULAR SESSIONS

Regular Sessions of the General Convention shall be held every fourth year in the United States, during a month and a place designated by the Board.

Section 203. CONVENTION OFFICERS

The Chair of the Board shall be the Convention Chair and the Board Vice Chair shall be the Convention Vice Chair. The Board shall designate the Convention Parliamentarian and the Convention Secretary. In the event that

a vacancy occurs for a Convention officer, the Board shall appoint a replacement.

Section 204. COMMITTEES

1. CONVENTION COMMITTEES - Prior to each Regular Session of the General Convention, the Chair of the Board shall propose to the Board, from the list of certified Delegates, a Nominating Committee, a Credentials Committee, a Resolutions Committee, an Election Committee and such other committees as may be deemed necessary for transacting the business of the General Convention. The Board shall confirm, substitute, add, or delete nominees, the Chair and the Vice Chair for each Committee. The Chair of the Board and the National President shall be ex-officio members of all Committees.

2. NOMINATING COMMITTEE

a. Prior to each Regular Session of the General Convention, the Nominating Committee shall nominate candidates for Directors and Alternate Directors.

b. In order to assure the preservation of a representative form of government, as provided in the fraternal laws, nominations may also be made from the floor of the General Convention.

Section 205. DELEGATES, ALTERNATE DELEGATES AND ELECTION

1. QUALIFICATIONS - Any candidate for Delegate or Alternate Delegate to the General Convention must be an Adult Benefit Member of the duly established Delegate District to which his or her Branch is assigned and qualified as follows:

a. Attained age twenty-one (21) through age seventy-five (75) on January 1 of the year of the General Convention, has been an Adult Benefit Member of the Association for at least two full calendar years prior to his or her election as a Delegate or Alternate Delegate, and is a legal resident of the United States of America.

b. Only the Certificate holder who is the basic insured Adult Benefit Member shall have the right to vote at Delegate District meetings or Branch meetings or to hold office and who is competent to so vote and/or to so perform the duties of his or her respective office.

c. Must not have any business or personal interests which would constitute a conflict of interest in relation to the business operations of the Association.

d. Must not be an employee of the Association or any of its subsidiaries, or an officer appointed by the Board; provided, however, that nothing in this Subparagraph (d) shall prevent the National President, the National Vice President-Secretary, the National Vice President-Treasurer, or the other Vice Presidents from serving as ex-officio Delegates if they are otherwise qualified; and provided further, that nothing in this Subparagraph (d) shall prevent Branch Coordinators and Part-time and Special Agents from serving as Delegates if they are otherwise qualified.

e. Must not be a Full-time Agent, General Agent, Agency Manager, or Member engaged in regular business

dealings with the Association or any of its Branches or subdivisions wherein he or she derives significant monetary gain or an Immediate Family Member of any of the foregoing; provided, however, that Branch Coordinators and Part-time and Special Agents are eligible to serve as Delegates if they are not also Full-time Agents, General Agents, Agency Managers, or engaged in business dealings with the Association or any of its Branch subsidiaries wherein they derive monetary gain and if they are otherwise qualified.

f. Must not have any financial obligations to the Association as the result of previous employment.

g. Must not have a termination of his or her employment with the Association less than four (4) years prior to a Delegate District meeting; provided, however, that nothing in this Subparagraph (g) shall prevent former Directors, National Officers and Audit Committee Members from serving as ex-officio Delegates if they are otherwise qualified.

h. May not be a person who is directly involved in litigation or a written claim against the Association except for claims under a certificate of insurance.

i. Must not have been a director, alternate director, officer or employee of any organization similar to or in competition with the Association or a delegate or an alternate delegate to any other fraternal benefit society convention within four (4) years prior to the date scheduled for District Delegate elections; provided, however, that nothing in this Subparagraph (i) shall prevent any person from serving as an elected, ex-officio, or Alternate Delegate to the General Convention pursuant to a merger or similar agreement between the Association and any alliance, fellowship, or society in the United States having similar aims to those of the Association.

j. Must have been a member of the same Branch for at least an uninterrupted one (1) year period prior to the Delegate District election; provided, however, that this requirement shall not apply to a Benefit Member who has transferred from one Branch to another in accordance with Section 107.5.

2. CHALLENGES/BOARD TO DETERMINE - The Board shall determine whether a challenged Delegate is or is not qualified to be a Delegate to the General Convention.

a. A challenge to the qualifications of a Delegate, whether an elected Delegate, an elected Alternate Delegate, or an ex-officio Delegate, may be initiated by the National Vice President-Secretary or may be made by an Adult Benefit Member.

b. Any challenge of a Delegate or an Alternate Delegate initiated by the National Vice President-Secretary must be raised no later than ninety (90) days prior to the date of the next Regular Session of the General Convention; or, in the case of an ex-officio Delegate, within ten (10) days of his or her appointment. In every case, the National Vice President-Secretary shall give written notice of the charges specified to said challenged Delegate or Alternate Delegate by Certified Mail, Return Receipt requested, or overnight courier, with evidence of receipt no later than eighty-five (85) days prior to the date of the

next Regular Session of the General Convention; or, in the case of an ex-officio Delegate, within fifteen (15) days of his or her appointment.

c. Any challenge of a Delegate or an Alternate Delegate made by an Adult Benefit Member must be received by the National Vice President-Secretary, by Certified Mail, Return Receipt requested, or overnight courier, with evidence of receipt, within ten (10) days after the Delegate's or Alternate Delegate's election; or, in the case of an ex-officio Delegate, received by the National Vice President-Secretary on or after one hundred twenty (120) days, but no later than ninety (90) days, prior to the date of the next Regular Session of the General Convention. In every case, the National Vice President-Secretary shall give written notice of the charges specified to said challenged Delegate or Alternate Delegate by Certified Mail, Return Receipt requested, or overnight courier, with evidence of receipt, within fifteen (15) days after the completion of the elections for all of the Delegates and Alternate Delegates; or, in the case of an ex-officio Delegate, no later than eighty-five (85) days prior to the date of the next Regular Session of the General Convention. Should the National Vice President-Secretary be challenged as a Delegate, the challenge shall be filed with the National Vice President-Treasurer, who shall give the proper notice.

d. The challenged Delegate shall be afforded the opportunity to appear personally, at his or her own expense, before the Board to answer the charges, or the challenged Delegate may answer the charges in writing by Certified Mail, Return Receipt requested, or overnight courier, with evidence of receipt, within ten (10) days of receipt of notification of said challenge.

e. The decision of the Board as to whether the challenged Delegate is or is not qualified shall be made at the next regular meeting or special meeting of the Board. The decision of the Board shall be final.

f. In any case where all Delegates and Alternate Delegates of a challenged Delegation are determined not to be qualified, said Delegation shall not be represented at the General Convention.

3. DELEGATE DISTRICTS - Based upon the membership of the Association, as of December 31 of the year prior to the General Convention, the Board shall establish the number of Delegates to be certified including, without limitation, to comply with any statutory provisions relating to the minimum number of elected and ex-officio Delegates required to comprise a General Convention and establish Delegate Districts, considering the number of Adult Benefit Members and any other factors that the Board may consider material; provided, however, that the number of ex-officio Delegates shall not exceed one-third of the total number of Delegates.

4. METHOD OF CREATING DELEGATE DISTRICTS - In order to give representation to as many Adult Benefit Members as possible, Branches that do not have a sufficient number of Members to elect a Delegate shall be joined with one another, or joined with Branches that are inactive or do not have a sufficient number of Members to elect one or more Delegates to comprise one Delegate

District. In this way, there will be a sufficient number of Members to elect additional Delegates. The Board, in its sole discretion, shall determine which Branches shall be joined together to form a Delegate District. In making such determination, the Board shall give consideration to maximizing the number of Delegates that can be elected by Adult Benefit Members so as to increase representation and to satisfy any other factors that the Board deems relevant.

5. DELEGATES AND ALTERNATE DELEGATES

a. Each duly established Delegate District shall be entitled to elect one or more Delegates for a four (4) year term or until their successors are elected and certified by the National Vice President-Secretary, so long as such Delegate continues to meet the qualifications set forth in Section 205 hereof.

b. In addition to the elected Delegates, each Delegate District, on a separate ballot, shall elect up to an equal number of Alternate Delegates who shall be certified as such by the National Vice President-Secretary. Each nominee for Delegate or Alternate Delegate may declare himself or herself for both or either of the positions of Delegate and Alternate Delegate, as the case may be, and may be a candidate for both Delegate and Alternate Delegate on each of the two separate and subsequent elections pursuant to Section 205.7(h) hereof.

6. NOTICE OF ELECTIONS

a. Election of General Convention Delegates shall be held on the first day to the fifteenth day of the calendar month which is the fourth month prior to the month of the next Regular Session of the General Convention. Notice of the date, time and place of the meeting shall be given to the National Vice President-Secretary by Certified Mail, Return Receipt requested, by hand delivery, or by overnight courier, facsimile or electronic mail, with evidence of receipt, on or before one hundred fifty (150) days prior to the date of the next Regular Session of the General Convention and to the Branch members in accordance with the provisions of Article 14 of these By-Laws.

b. If the appointed District Chair cannot perform the duties on the designated date, time and place, the Chair of the Board of the Association or, in his or her absence, the National Vice President-Secretary or, in his or her absence, the National President, shall appoint another District Chair.

7. DELEGATE DISTRICT ELECTIONS - Delegate District elections shall be conducted according to the following rules and procedures:

a. With respect to each Delegate District, the Board shall appoint a District Chair.

b. The District Chair of each Delegate District will establish the date, time and place for that Delegate District's election, as provided in the By-Laws. The place for each Delegate District election shall be at a neutral public venue.

c. The District Chair shall conduct the Delegate District meeting, and shall appoint a recording secretary

to record the minutes of the Meeting.

d. Nominations for Delegates and Alternate Delegates may be made from a nominating committee appointed by the Delegate District Chair. Such nominations may also be made from the floor of the Delegate District meeting by those members in attendance.

e. The attendance of a nominee at the Delegate District meeting is not mandatory.

f. A register shall be maintained at the Delegate District meeting and signed by all Adult Benefit Members voting at such meeting.

g. The vote of each Delegate District member who is an Adult Benefit Member and has attained at least age 16 must be cast in person at the Delegate District meeting for the Delegate District to which the member is assigned. Proxy voting shall not be permitted for any purpose.

h. The candidates in each Delegate District who receive the highest number of votes shall be the duly elected Delegates to the General Convention for each of the respective Delegate Districts. A candidate for Delegate who is not elected shall be eligible to run as an Alternate Delegate for the same General Convention. In a separate and subsequent election at the same Delegate District meeting, the candidates for Alternate Delegate receiving the highest number of votes shall be the Alternate Delegates to the General Convention for each of the respective Delegate Districts. Such Alternate Delegates shall be ranked by the number of votes received. In the event of any or all tie votes for Delegate(s) or Alternate Delegate(s), as the case may be, such election shall be decided by lot drawn by the candidates involved, in the presence of the District Chair.

i. Each District Chair shall, by Certified Mail, Return Receipt requested, courier, hand delivery or electronic mail with evidence of receipt, submit the election results to the National Vice President-Secretary within ten (10) days after said election. Failure to make complete and timely submission shall result in disqualification of the subject Delegation unless the failure to comply is excused by the Board for good cause, at the next regular meeting or special meeting of the Board. The decision of the Board shall be final.

8. CERTIFICATION OF DELEGATES ELECTION AND PUBLICATION - The names of the Delegates and Alternate Delegates elected, together with the names of the ex-officio Delegates to the General Convention, shall be published in the official publication of the Association in the issue preceding the Regular Session of the General Convention. Such listing shall constitute an official list of Delegates and Alternate Delegates for the next Regular Session of the General Convention, and upon the election and qualification of Delegates to the General Convention, the term of office of previously elected Delegates shall cease. The aforesaid publication shall be deemed sufficient notice to all Members, Delegates and Alternate Delegates.

9. DISTRICT CHAIR EXPENSES - The expense allowance of the District Chair in connection with the Delegate elections shall be determined by the Board and paid by the Home Office.

10. EX-OFFICIO DELEGATES

a. Subject to the qualification requirements of Section 205 of these By-Laws, the National President, National Vice President-Secretary, National Vice President-Treasurer, other Vice Presidents, each Director, and each National Advisory Committee member who holds office at the time of any Regular or Special Session of the General Convention, shall each be entitled to one (1) vote.

b. The National Vice President-Secretary shall file with the Credentials Committee the certification listing the names, offices held and addresses of all ex-officio Delegates to the General Convention.

Section 206. POWERS OF THE GENERAL CONVENTION

Powers of the General Convention shall include, but not be limited to:

1. Adoption of Agenda.
2. Establishment of honorarium, mileage expense and travel per diem fees for Delegates.
3. Adoption of Charter and, except as set forth in Article 18 hereof, By-Law Amendments.
4. Election of the Board of Directors and Alternate Directors.
5. Establishment of honorariums, travel expenses and per diem fees for the Board and those who are on official business for the Association. The National President, as a member of the Board, shall not receive an honorarium.
6. Installation of the elected Board of Directors.

Section 207. GENERAL CONVENTION PROCEDURES

General Convention procedures shall be established by the Board.

Section 208. SPECIAL SESSION OF THE GENERAL CONVENTION

1. A Special Session of the General Convention shall consist of the elected Delegates certified to the last preceding Regular Session of the General Convention, together with ex-officio Delegates as provided in Section 205.10; provided, however, that at the time of the call for a Special Session, all such Delegates meet the qualification requirements of Section 205.1 of these By-Laws and ex-officio Delegates still hold the official positions that enabled them to qualify as Delegates. Should any ex-officio Delegate no longer hold any such official position, his or her successor shall replace him or her as an ex-officio Delegate.

2. A Special Session of the General Convention shall be called by the Chair of the Board, either at the request of a two-thirds (2/3) majority of the Board, or on petition signed by not less than two-thirds (2/3) of the Delegates qualified to attend the Special Session as provided in Section 208.1, or at the written request of the majority of the Branches. The call shall precede the opening of said Special Session of the General Convention by at least thirty (30) days, during which time any Delegate's qualifications may be challenged pursuant to the same procedure as set

forth in these By-Laws in Section 205.2, but subject to the following time limitations:

a. All challenges to a Delegate's qualifications shall be made within five (5) days after the call for a Special Session.

b. Within five (5) days after the challenge is received, notice of the challenge shall be given to the challenged Delegate in writing.

c. The Board shall give the challenged Delegate the opportunity to answer the challenge within ten (10) days after giving notice in the manner provided in Section 205.2(d).

d. The Board shall make its decision as to whether or not the challenged Delegate is qualified at least five (5) days prior to the date of the Special Session.

e. If the time limits are not adhered to in Section 208.2(a), (b) and (d), the challenge shall be dismissed and the Delegate shall be qualified to attend the Special Session. If the time limit is not adhered to in Section 208.2(c), the Board may render its decision without the challenged Delegate's participation.

3. The Agenda of the Special Session of the General Convention is limited to the business stated in the call notice.

Section 209. CONVENTION ACTION BY MAIL

If a matter which would otherwise require the approval of the General Convention arises between Regular Sessions of the General Convention and does not require a Special Session pursuant to Section 208, the Board, by majority vote, shall order a referendum vote by mail or electronic mail, with evidence of receipt. Each Delegate to the General Convention shall be sent an announcement by Certified Mail, Return Receipt requested, overnight courier or electronic mail, with evidence of receipt, which states the matter to be voted on in the form of a resolution, together with a ballot and any necessary explanations. Each Delegate is required to vote by mailing, or emailing in PDF format, his or her signed ballot within thirty (30) days from the date of the mailing or emailing of said notice. Unreturned ballots shall constitute an affirmative vote. Unless the Charter or these By-Laws should require otherwise, a majority vote shall be sufficient to adopt the Resolution, and, if adopted, the Resolution shall have the same force and effect as though it had been adopted at a General Convention. Unless otherwise specified, such a resolution shall be effective on the date when the votes are tabulated and certified by the National Vice President-Secretary. The text of the resolution and the results of the voting shall be published in the earliest edition of the official publication of the Association following the vote.

ARTICLE 3 THE BOARD OF DIRECTORS

Section 301. MEMBERS

The Board is comprised of (a) the Directors elected at the General Convention from among the Delegates thereto; and (b) the National President.

Section 302. NUMBER, TERM AND QUALIFICATIONS OF DIRECTORS

There shall be no less than eight (8) and no more than ten (10) Directors and no less than eight (8) and no more than ten (10) Alternate Directors elected at the General Convention for a term of four (4) years, and they shall assume office upon their election and installation. The actual number of such Directors shall be determined by a resolution of the Board. Additional Board members may be appointed by virtue of a consolidation or merger, or an immediate past National President, with ten (10) years in that position, may serve as a Director for up to four (4) years but not past age seventy-two (72). Directors shall hold office until their successors have been duly elected, qualified and installed. The candidates for Director receiving the highest number of votes at the General Convention shall be the duly elected Directors. A candidate for Director who is not elected shall be eligible to run for election as an Alternate Director at the same General Convention. In a separate and subsequent election at the General Convention, the candidates for Alternate Director receiving the highest number of votes shall be the Alternate Directors for such term. In the event of any tie vote for Director or Alternate Director if required for the final remaining positions, such election shall be decided by a separate and subsequent election at the General Convention. Each nominee for Director or Alternate Director may declare himself or herself for both or either of the positions of Director and Alternate Director, as the case may be, and may be a candidate for both Director and Alternate Director on each of the two separate elections at such General Convention. To serve on the Board, each Director or Alternate Director must qualify as a Delegate, must be an Adult Benefit Member for an uninterrupted five (5) year period, and must also be at least the age of thirty (30) but under the age of seventy-two (72) on January 1 of the calendar year of such General Convention year commencing with the Thirty-Ninth General Convention in 2019.

Section 303. VACANCIES

1. Upon the death or resignation of a Director, or in the event of incapacity or inability of any Director to act (as opposed to a matter of discipline under Article 7 of the By-Laws), the Board shall have the power, in its sole discretion, after investigation, with facts to be recorded in a confidential file, to declare that a vacancy exists and the Board may fill such vacancy as herein provided.

2. Upon the determination by the Board that a vacancy exists, the Board, by majority vote, may fill the vacancy from the list of Alternate Directors elected at the General Convention. In the event no Alternate Director receives a majority of the votes on the first ballot, the election shall be decided between the two (2) Alternate Directors who received the highest number of votes on the first ballot by the majority vote of a quorum of the Board on a second ballot.

Section 304. BOARD OFFICERS

1. The Board shall elect its own Chair and two (2) Vice Chairs from among its members; however, the National President shall not be the Chair or a Vice Chair. The Chair

elected by the Board shall be limited to a term of four (4) consecutive years; provided, however, that in the event of the death, resignation or incapacity or inability to act of the Chair, the Board shall have the power, in its sole discretion, to declare that a vacancy exists and to fill such vacancy by majority vote.

2. The Chair of the Board and, in his or her absence, any Vice Chair shall preside over all meetings of the Board; provided, however, that if both Vice Chairs shall wish to so preside, the Board shall decide by majority vote which Vice Chair shall so preside. The Board shall also appoint a Secretary of the Board, who need not be a Director, to record its proceedings.

3. The Chair of the Board and the National President shall be members of all Committees.

Section 305. MANAGEMENT

The Board shall be the governing body of the Association when the General Convention is not convened in Regular Session or Special Session. The Board shall administer the corporate powers of the Association; protect its Charter; construe the By-Laws of the Association; do any and all other things it deemed advisable to carry out the objectives of the Association and not otherwise provided, reserved or prohibited by the By-Laws; and perform such other duties as may devolve upon it by the laws of the Commonwealth of Pennsylvania, the Charter and the By-Laws of the Association.

Section 306. POWERS AND DUTIES

Notwithstanding any other powers conferred by this Article and these By-Laws and without prejudice to the other powers conferred by statute and by the Charter, it is hereby expressly declared that the Board shall have the following specific powers:

1. Have full control of all the Association's funds, investments and property.
2. Designate all banks and depositories in which funds of the Association shall be deposited.
3. Elect the following officers: National President, National Vice President-Secretary, National Vice President-Treasurer, and any additional Vice Presidents, who shall serve in accordance with the provisions of these By-Laws.
4. Have power to remove from office any National Officer or Vice President of the Association.
5. Have power to fill any vacancy in office during the interim between meetings of the General Convention.
6. Appoint such Advisors as required by these By-Laws and as the Board deems appropriate, all of whom shall serve at the pleasure of the Board.
7. Approve the salaries or compensation, travel allowance, retirement and fringe benefits of all National Officers and employees, as recommended by the Compensation Committee and in connection therewith, to adopt appropriate compensation, benefit and retirement plans.

8. Establish policies and rules to administer the business, fraternal and social affairs of the Association at the Home Office and its Branches.

9. Appoint and relieve members of the National Advisory Committee.

10. Amend these By-Laws, except as restricted under Article 18 hereof.

Section 307. BOARD MEETING PROCEDURE

The order of procedure for Board meetings shall be established by the Board.

Section 308. COMMITTEES AND ADVISORS

1. STANDING COMMITTEES - All Standing Committees are subject to the authority of the Board. No Committee has the power to rescind or modify Board action. The business of the Association shall be administered through the following Standing Committees:

a. Administration Committee

(i) The Administration Committee shall be composed of the National President, National Vice President-Secretary, National Vice President-Treasurer, and any other Vice President as appointed by the Chair of the Administration Committee. The National President shall be Chair.

(ii) The Administration Committee shall supervise the day-to-day operations of the Association.

(iii) The Administration Committee shall authorize and cause issuance of all forms of benefit certificates, establish limits of protection, fix non-medical limits, and establish the rules for beneficiaries.

b. Audit Committee

(i) The Audit Committee shall be composed of a minimum of three (3) members and a maximum of six (6) members consisting only of Directors, each appointed by the Board upon the recommendation of the Chair of the Board, except as otherwise required by applicable law. The Audit Committee shall elect its own Chair. The National Officers shall serve as consultants to the Audit Committee.

(ii) The Audit Committee shall examine and audit records, receipts and expenditures, and shall file a report to the Board. The Audit Committee shall make written findings and recommendations to the Board on an annual basis and more often, if necessary.

c. By-Laws Committee

(i) The By-Laws Committee shall be composed of the Chair of the Board, the two Vice Chairs, the National President, the National Vice President-Secretary, the National Vice President-Treasurer, the General Counsel, and any other Director or Vice President appointed by the Chair of the Board.

(ii) The By-Laws Committee shall review the By-Laws of the Association on an ongoing basis, and shall recommend amendments when appropriate. The Committee shall also consider suggestions for By-Law amendments

from appropriate sources, and shall make its recommendations to the Board.

d. Compensation Committee

(i) The Compensation Committee shall be composed of the Chair of the Board, the National President, and four (4) Directors appointed by the Board. The Chair of the Board shall be Chair of the Compensation Committee. The other National Officers shall serve as consultants to the Compensation Committee.

(ii) The Compensation Committee shall recommend the salaries or compensation, retirement and fringe benefits of all National Officers and employees, subject to approval by the Board.

e. Executive Committee

(i) The Executive Committee shall be composed of the Chair of the Board, the National President, the two Vice Chairs, and up to four (4) members of the Board, who shall be elected by the Board. The Chair of the Board shall be Chair of the Executive Committee. The Executive Committee shall meet at the call of the Chair of the Board.

(ii) The Executive Committee shall have and exercise all the powers of the Board in an active as opposed to a passive capacity when the Board is not in session; except the Executive Committee shall have no power (a) to initiate By-Law amendments, (b) to rescind or modify Board action, or (c) to exercise authority with respect to matters over which the Board has retained jurisdiction. The Executive Committee shall also perform such duties as are specifically delegated to it by the Board and shall have the power to authorize the seal of the Association to be affixed to all papers requiring a seal.

f. Finance Committee

(i) The Finance Committee shall be composed of the National President, National Vice President-Secretary and National Vice President-Treasurer. The National Vice President-Treasurer shall be Chair.

(ii) The Finance Committee shall develop the investment policy of the Association, shall authorize and approve the purchase and sale of securities by the National Vice President-Treasurer, and shall designate corporate custodians to receive and hold for safe-keeping the investments and securities of the Association.

g. National Advisory Committee

(i) The Board may appoint the National Advisory Committee from among former National Officers, Directors, and Audit Committee Members, and present Alternate Directors.

(ii) The Board, as it deems appropriate, may appoint any other Member of the Association to the National Advisory Committee.

(iii) The members of the National Advisory Committee shall serve at the pleasure of the Board and may be removed without cause.

(iv) The National Advisory Committee shall meet and act only upon the request of the Board to make recom-

mendations regarding matters concerning the Association and its business.

2. ADVISORS

a. The named Advisors to the Board, as appointed and deemed appropriate by the Board, shall include: National Vice President-Secretary, National Vice President-Treasurer, Vice Presidents, Sales Director, General Counsel, Special Counsel, Actuary, Medical Director, Fraternal Director, and Certified Public Accountant. The duties of those Advisors not elsewhere described in these By-Laws shall be established by the Board.

b. All above-named Advisors, as well as those specified, described or designated in Article 26, may attend Board and Committee Meetings, without voting privileges, at the invitation of the Board or Committee and shall serve at the pleasure of the Board; provided, however, that the National Vice President-Secretary and the National Vice President-Treasurer shall each have a vote on all Committees to which each is appointed, except as otherwise determined by the Board.

c. The General Counsel shall be appointed by the Board. The General Counsel shall handle all litigation assigned to him or her, and, as necessary, shall prepare and/or approve contracts, leases, and other legal instruments. The General Counsel shall furnish written legal opinions at the request of the Board. When invited, the General Counsel shall attend Board and Committee meetings. The General Counsel shall have a voice but not a vote at any Board or Committee meeting. The General Counsel shall submit a written report on his or her activities at each regular Board meeting. The Board may retain Special Counsel of its own choosing or may request the General Counsel to do so on its behalf.

Section 309. BOARD MEETINGS

1. The Board shall meet quarterly for as many days as needed in regular session at a place designated by the Board. A majority of the Board shall constitute a quorum. Special meetings shall be held on reasonable notice as determined by the Board on call of the Chair or on written request by a majority of the Directors filed with the National Vice President-Secretary.

2. In the event that a quorum is not present at a regular meeting of the Board, or a properly called special meeting, the Directors present may adjourn until a time at least twenty-four (24) hours later without notice other than an announcement made at the meeting being adjourned. In the event that less than a quorum is present at any meeting following such adjournment, the Directors then in attendance shall constitute a quorum for the transaction of any business that could properly have been transacted at the meeting originally called provided at least six (6) Directors are present.

Section 310. UNANIMOUS CONSENT

Any action required or permitted to be taken at a meeting of the Board or any Committee of the Association may be taken without a meeting if, either prior to or subsequent to the action, a consent in writing setting forth the action so taken shall be signed, either in writing or electronically

(if verified), by all of the Directors or Committee members, as the case may be, who would be entitled to vote at a meeting for such purpose. Such consent shall be filed with the National Vice President-Secretary of the Association, and shall be valid as a corporate action as though it had been authorized at a meeting of the Board or such Committee.

Section 311. TELEPHONE PARTICIPATION

One or more Directors or Committee members shall be considered present and may participate in any meeting of the Board or any Committee of the Association, as the case may be, by means of any communications equipment whereby all persons in the meeting can hear each other.

Section 312. CONFLICT OF INTEREST

It shall be unlawful for any Director or any Committee member to vote or otherwise influence or act in any manner in which he or she may have, directly or indirectly, a personal interest which may be used by him or her in a manner adverse to the interest of the Association. Any such Director or Committee member violating the provisions of this Section may be suspended or removed under the applicable provisions of these By-Laws. No Director shall enter into or maintain a contract as a Full-Time Agent or General Agent during his or her term of office with the Association.

ARTICLE 4 THE CORPORATE OFFICERS

Section 401. THE CORPORATE OFFICERS OF THE ASSOCIATION

1. The corporate officers of the Association shall be: National President, National Vice President-Secretary, National Vice President-Treasurer, and such other National Vice Presidents or Vice Presidents as the Board shall deem necessary; provided, however, that the offices of National Vice President-Secretary and National Vice President-Treasurer may be held by the same person.

2. The above-mentioned offices shall be deemed full time and the officeholder shall not, unless approved by the Board, engage in any other occupation, whether compensated or not, during the hours stipulated by the Board for full time employees.

Section 402. TERM OF OFFICE; VACANCIES

1. All National Officers and Vice Presidents shall serve in accordance with these By-Laws and at the pleasure of the Board; provided, however, that the term of any National Officer or Vice President shall end no later than the next Regular Session of the General Convention. No person shall be elected to office after attaining age seventy-two (72).

2. Upon the death or resignation of a National Officer or Vice President, or in the event of incapacity or inability of any National Officer or Vice President to act (as opposed to a matter disciplined under Article 7 of the By-Laws), the Board shall have the power, in its sole discretion, after investigation, with facts to be recorded in a confidential file, to declare that a vacancy exists and the Board shall fill such vacancy by majority vote.

Section 403. OFFICE OF THE NATIONAL PRESIDENT

The National President is the Chief Executive Officer and an official representative of the Association. The National President shall perform all duties as assigned by the Board, and all other duties customarily performed by a chief executive officer of a Corporation.

Section 404. OFFICE OF THE NATIONAL VICE PRESIDENT-SECRETARY

1. The National Vice President-Secretary is the Chief Administrative Officer and the Corporate Secretary of the Association and an official representative of the Association. The National Vice President-Secretary shall perform all duties customarily performed by a secretary of a Corporation and all duties assigned by the National President, the Board or the Executive Committee and all other duties set forth elsewhere in the By-Laws.

2. Perform, jointly with the National Vice President-Treasurer, all of the duties of the National President, during his or her disability or inability to act, with the approval of the Board and until such time as the Board appoints a successor to such National President. Either the National Vice President-Secretary or the National Vice President-Treasurer shall notify the Board within twenty-four (24) hours of the occurrence of any such disability or inability to act of the National President.

Section 405. OFFICE OF THE NATIONAL VICE PRESIDENT-TREASURER

1. The National Vice President-Treasurer is the Chief Financial Officer of the Association and an official representative of the Association. The National Vice President-Treasurer shall perform all duties customarily performed by a chief financial officer of a Corporation and all duties assigned by the National President, the Board or the Executive Committee and all other duties set forth elsewhere in the By-Laws.

2. Perform, jointly with the National Vice President-Secretary, all duties of the National President during his or her disability or inability to act, with the approval of the Board and until such time as the Board appoints a successor to such National President. Either the National Vice President-Treasurer or the National Vice President-Secretary shall notify the Board within twenty-four (24) hours of the occurrence of any such disability or inability to act of the National President or the National Vice President-Secretary, as the case may be.

Section 406. VICE PRESIDENTS

The other National Vice Presidents and the Vice Presidents shall perform such duties as the National President or the Board may assign; provided, however, that no duty may be assigned to any of them that has been specifically delegated to others pursuant to the provisions of these By-Laws.

ARTICLE 5**HOME OFFICE AND BRANCH ADMINISTRATION****Section 501. BUSINESS OF THE ASSOCIATION**

The business of the Association shall be conducted by the National Officers.

Section 502. JURISDICTION

The jurisdiction of the National Officers over each Department and their powers and duties are set forth in these By-Laws or shall be fixed by the Board.

Section 503. CONFLICTS OF INTEREST

It shall be unlawful for any National Officer or Branch Officer, or employee of the Association, whose duty it may be to purchase anything of value for the Association, or the discharge of whose duty to the Association may result in liability on the part of the Association, to vote, recommend, or otherwise influence any of the foregoing acts with regard to any person he or she may be related to by blood or marriage, or in which he or she may have, directly or indirectly, a personal interest, which may be used by him or her in a manner adverse to the interest of the Association. Any National Officer or Branch Officer violating the provisions hereof may be suspended or removed under the applicable provisions of these By-Laws, and, if an employee of the Association, may, in addition to suspension, be discharged.

Section 504. DISQUALIFYING OCCUPATIONS

No person who becomes, or was within the four (4) years immediately preceding the latest General Convention, an officer of, or holder of a position of trust with, any other fraternal benefit society or life insurance company shall be eligible to become or remain a National Officer or Branch Officer or a Director or Alternate Director of the Association or any of the subordinate bodies or to be a Delegate or Alternate Delegate to the General Convention. The Board shall have the authority to waive the four year disqualification with regard to electing any National Officer.

Section 505. EXECUTION OF CONTRACTS

a. Authority. The National President, National Vice President-Secretary, National Vice President-Treasurer or other National Vice Presidents shall have full power and authority to execute all deeds, contracts, agreements, leases, leasehold agreements, lease contracts, bills of sale, assignments, releases, satisfactions of mortgages and judgments, deposit or protective agreements, reorganization or refunding plans, and other obligations and undertakings for and on behalf of the Association, and all other documents and obligations made necessary or desirable for the conduct of the Association's affairs when duly authorized to do so by the Board or Executive Committee.

b. Limitation. No National Officer or employee shall have any authority, express or implied, to obligate the Association or to sign or execute any contract or document which requires the Association to pay a consideration, or has a value, in excess of an amount approved by the Board.

c. No person shall be hired or retained by the Association or any Branch or subsidiary for a term that extends beyond the date of the next General Convention.

Section 506. BONDS OF OFFICERS AND EMPLOYEES

The Board may require the National Officers and Branch Officers and employees of the Association to give bond with surety from an indemnity company, conditioned in such form and sum as the Board may determine.

Section 507. RETURN OF PROPERTY

Each National Officer and Branch Officer and each employee shall, upon the expiration or termination of his or her office or employment, as the case may be, account for and deliver to his or her successor, or other person authorized to receive the same, all monies, bonds, papers, securities and all other property held by him or her and belonging to the Association.

ARTICLE 6 **THE BRANCHES**

Section 601. ORGANIZATION

Branches of the Association may be created and shall be chartered by resolution of the Board in localities where the Association has not less than fifty (50) Adult Benefit Members to provide said Members with the opportunity to take part in fraternal and benevolent activities; to share in programs of fellowship, sociability, and responsibility; and to share in a democratic form of government. The affairs of the Branches shall be conducted in accordance with the provisions of these By-Laws and under rules prescribed by the Board.

Section 602. AUTHORITY

The Board has full authority over the Branches, Branch Officers and Branch Coordinators. In addition, the Board shall have jurisdiction over any complaint of misconduct lodged against any Branch, Branch Coordinator, or member. In all events, the Board shall have the unrestricted authority to suspend the charter of a Branch, place a Branch under trusteeship, dissolve a Branch, transfer members and/or terminate the existence of a Branch or Affiliate.

Section 603. BRANCH MEETINGS

1. Regular meetings of a Branch should be held no less than four times per year.

2. Special Branch meetings may be called by the Branch President at any time he or she deems it necessary, or upon the request of ten (10) Adult Benefit Members of said Branch. Members shall be notified of any special meeting and no business shall be transacted at such meeting other than that for which the meeting was called.

3. The following order of business shall be a guideline for the presiding officer at regular meetings:

- a. Opening by the President, pledge of allegiance and invocation.
- b. Roll call.
- c. Minutes of previous meetings.
- d. Admission and welcome of new Members.

- e. Reports of officers.
- f. Reports of committees.
- g. Old business.
- h. New business.
- i. Election of officers (under Section 606).
- j. Appointment of committees.
- k. Good and welfare of the Branch.
- l. Adjournment.

4. Only the Certificate holder who is the Adult Benefit Member shall have the right to vote and participate in meeting discussions at Branch meetings and, if at least age twenty-one (21), to hold office so long as such holder is competent to so vote and participate and hold office.

Section 604. NOMINATIONS

Nominations for candidates for Branch office may be made from a nominating committee appointed by the Branch President. Such nominations may also be made from the floor at the bi-annual election meeting of the Branch in the last calendar quarter of even number years by those members in attendance under Section 606.

Section 605. ELIGIBILITY AND ELECTION

1. **ELIGIBILITY** - Only an Adult Benefit Member who is at least age twenty-one (21) and who is not directly involved in litigation or a written claim against the Association, except for claims under a certificate of insurance, is eligible to be a Branch Officer. No Full-Time Agent, General Agent, or anyone who is licensed to sell for another life insurance company, or Immediate Family Member of any of the above is eligible to be a Branch Officer.

2. **ELECTION OF BRANCH OFFICERS** - The election of Branch Officers shall be held every two (2) years during the last calendar quarter of even number years. Elections shall be by a majority of those present at such bi-annual meeting. Officers elected at such bi-annual meeting shall be installed immediately.

Section 606. TERMS AND VACANCIES

1. **EXISTING BRANCHES** - The term of office of all Branch Officers in existing Branches shall begin upon their installation and shall expire when their successors are elected at the bi-annual meeting of the Branch in the last calendar quarter of even number years. Likewise, the term of office with regard to election to vacancies in existing branches shall expire when their successors are elected at the bi-annual election meeting in even number years. A vacancy for the office of Branch President shall be filled by the Branch Vice President. A vacancy for the offices of Branch President (when there is no Branch Vice President to assume the office), Branch Vice President, Branch Auditor, Branch Recording Secretary and Branch Treasurer shall be filled by election as promptly as possible at the next regular or special meeting of the Branch following the occurrence of said vacancy.

2. **NEW BRANCHES** - The election of officers in new Branches shall be held at the first regular meeting of that

Branch. The term of office of all Branch Officers elected at that meeting shall expire upon the election of their successors at the bi-annual election meeting in even number years.

Section 607. BRANCH OFFICERS AND DUTIES

1. The Branch Officers shall be: Branch President, one Branch Vice President, Branch Recording Secretary, Branch Treasurer, and two (2) but not more than three (3) Branch Auditors. There shall not be any other Branch Officers or boards appointed or elected, unless approved by the Board of the Association. Each Branch Officer must not have any business or personal interests which would either be competitive in the sale of life insurance, annuities and similar life insurance products or constitute a conflict of interest in relation to the business operations of the Association.

2. The offices of Branch Recording Secretary and Branch Treasurer may be held by one person. No member may be an officer unless he or she has a right to vote and has attained at least age twenty-one (21).

3. Any Branch Officer failing to attend three (3) successive meetings without good excuse shall be considered as having vacated his or her office. The Branch membership shall discuss and determine the validity of such excuse. If the Branch membership determines that the Branch Officer has vacated his or her office, the Branch President or, in the alternative, the Branch Recording Secretary shall immediately forward a report of charges to the Board for action under Article 7 of these By-Laws.

4. The Branch President shall preside at all meetings and conduct them according to the prescribed rules. He or she shall vote only in case of a tie vote; appoint committees; and approve and sign orders, together with the Branch Treasurer, drawn on the Branch treasury for the payment of money. The Branch President shall have the duty of general supervision over the affairs of the Branch.

5. In the absence, disability, or inability to act of the Branch President, the Branch Vice President shall perform the duties of the Branch President until the next bi-annual election meeting in even number years. In the absence, disability or inability to act of both the Branch President and the Branch Vice President at a Branch meeting, then the Branch Recording Secretary shall conduct the meeting and appoint an Acting Branch Recording Secretary to record the minutes at such meeting.

6. The Branch Recording Secretary shall keep a record of the proceedings of the Branch meetings.

7. The Branch Treasurer shall have the custody of all money belonging to the Branch; give receipts; keep a correct account of all money received and paid out; and pay all orders drawn by the Branch Recording Secretary and approved by the Branch President. The Branch Treasurer shall provide a financial report at each Branch meeting. He or she shall deposit all funds received by the Branch for any of its activities in one Branch checking account so that a clear record of all Branch financial transactions is maintained. If other accounts are established for Branch activities, all deposits or withdrawals must be made through the Branch checking account. Separate records shall be main-

tained for each account by the Branch Treasurer, but there shall be only one Branch checking account. If a thorough branch audit is deemed necessary, the Branch officers, at the request of the chair of the Audit Committee, will immediately surrender all records, books and accounts of such branch for the purpose of that audit.

8. The Branch Auditors shall examine the financial records and bank accounts of the Branch Treasurer annually. For any Branch with assets of at least \$25,000, audits will be done semi-annually. Promptly after each audit, a report will be sent to the National Vice President-Secretary.

9. The Branch Officers shall be responsible for filing all forms (and furnishing the Home Office with copies of same at the time of filing) and paying all taxes, fees, and other payments required by Federal, State and local governmental authorities, when due.

10. No Branch Officer or Branch Members shall have any authority, express or implied, to obligate the Branch or any Affiliate or to sign or execute any contract or document that requires the Branch or the Association to pay a consideration or has a value in excess of One Thousand (\$1,000.00) Dollars without prior authorization by the Administration Committee of the Association.

Section 608. BRANCH COORDINATOR

The Branch Coordinator is a part-time appointive position approved by the National President. A Full-Time Agent shall not be appointed as a Branch Coordinator. The Branch Coordinator shall assist the Branch Officers in fraternal activities, conduct all business between the Home Office and the Branch and file annually in January with the National Vice President-Secretary a fraternal activities report covering the operations of the Branch for the previous year.

Section 609. OWNERSHIP OF ASSETS

All real and personal property and all other assets of any Branch and any Affiliate, including all books, records and documents of any Branch and any Affiliate, are the legal property of the Association. No real or personal property or other assets in the name of any Branch and/or any Affiliate may be sold, expended, bartered, donated, or otherwise disposed of without the approval of the Board.

ARTICLE 7 **DISCIPLINE**

Section 701. AUTHORITY AND JURISDICTION

The Board shall have full authority over the individual Directors, National Officers, Committee members, Branches, Branch Officers, Branch Coordinators, field personnel, employees, and Members of the Association (collectively and individually, "Covered Individuals") with respect to disciplinary matters set forth in this Article 7.

Section 702. OFFENSES

1. All Covered Individuals of the Association suspected or accused of any of the following described conduct shall be subject to the procedures and penalties hereinafter set forth in this Article 7. The conduct in question is any act of the following which in the sole opinion of the Board:

- a. Is derogatory to the Association or has the effect of bringing the Association into disrepute.
- b. Constitutes a conflict of interest.
- c. Results in a loss of money or personal property of the Association.
- d. Constitutes a violation of these By-Laws or a lawful order of the Board.

2. Any Covered Individual who is also a member of the Board, a Branch Officer, a National Officer, or a member of any Committee of the Association suspected or accused of any of the following described conduct shall, on the basis of separate charges, be subject to the procedures and penalties hereinafter set forth in this Article 7. The conduct in question is any act whereby:

- a. Such Covered Individual, when lawfully required to do so, fails or refuses to pay or deliver money or property belonging to the Association which is in the possession of such Covered Individual by virtue of his or her position within the Association.
- b. Such Covered Individual, in the sole opinion of the Board, fails to maintain the standards of comportment generally expected of his or her position within the Association.
- c. Such Covered Individual, when acting in his or her capacity within the Association, violates any law or ordinance, or any rule or regulation of a governmental agency.
- d. Such Covered Individual vacates or abandons his or her position within the Association or ceases, in the sole opinion of the Board, to adequately discharge his or her duties in connection with such position.
- e. Such Covered Individual is convicted of a felony or other crime, or engages in other behavior which, in the sole opinion of the Board, substantially impairs the good will of the Association.

Section 703. PROCEDURE

Subject to Article 3 hereof, a Covered Individual suspected or accused of violating one (1) or more provisions of Section 702 shall be entitled to a hearing before the Board in which the validity of the charges and penalty, if any, to be imposed for each such charge shall be determined. The Board shall prescribe:

- 1. The manner of filing charges against any such Covered Individual.
- 2. The procedure to be followed in hearing and determining such charges.
- 3. The penalty that may be imposed.
- 4. There shall be no right of review or appeal from the decision of the Board; provided, however, no penalty imposed shall deprive a Covered Individual of any financial benefits to which he or she is entitled under the terms of any Certificate of Membership.

Section 704. PENALTIES

After a hearing, the Board shall make findings of fact and shall judge the Covered Individual innocent or guilty

of the charges. If guilty, the Board may penalize the Covered Individual by any of the following sanctions:

- 1. Appropriate reprimand.
- 2. Suspension of fraternal membership rights and privileges for a fixed period of time.
- 3. Expulsion from membership.
- 4. If money is involved, setting the amount of restitution to be made.
- 5. With respect to any Director, National Officer, Branch Officer, or Committee member, suspension from office for a fixed period of time or permanent removal from office in appropriate cases.

6. Any penalty imposed upon a Covered Individual hereunder shall not be rescinded or reduced at any subsequent meeting of the Board or at any subsequent Regular or Special Session of the General Convention except by the affirmative vote of 80% of the members of the Board or 80% of the certified Delegates who are present and voting at such meeting, provided a quorum is present.

ARTICLE 8

PROPERTY OF THE ASSOCIATION

Section 801. All real and personal property and other assets, whether administered by the Association or the Branch or any other Affiliate, which are derived from the payment of membership dues, investment income, bequests, voluntary donations, revenue profits from performances and entertainments, or from any other source, shall constitute the property of the Association.

Section 802. All property of the Association shall be administered in the name of the Association, both at the Home Office and at the Branches or other Affiliates.

Section 803. The assets of the Association may be kept in one fund or in such funds as the Board shall prescribe or applicable laws shall require.

ARTICLE 9

BENEFIT CONTRACTS, FUNDS AND APPORTIONMENT OF DEFICIENCY

Section 901. The Board shall provide for benefit contracts to be issued, upon application and acceptance in a manner and upon such conditions as the Board may determine in accordance with applicable laws.

Section 902. In the event of the impairment of the solvency of the Association, an apportionment shall be charged against each outstanding benefit contract in the manner provided by state law on the basis of the Member's equitable share of the deficiency as determined by the Board.

Section 903. a. All monies held by the Association, but not constituting the property of the Association, such as monies held for minor beneficiaries or for unknown beneficiaries, shall be maintained in the Trust Account of the Association.

b. On all such Trust Accounts for minor beneficiaries, the Association shall credit interest at a rate determined by the Board, but at a rate no less than one percent (1%) per annum.

Section 904. Deposits held for unknown beneficiaries, if not claimed and if proof of the rightful beneficiary is not made within two (2) years after the death of the Member, shall revert to the Trust Accounts of the Association, subject to applicable law relating to unclaimed property.

Section 905. Subject to applicable law relating to unclaimed property, Trust Accounts shall be payable, without interest, to the rightful owners whenever proper proofs are presented. Trust Accounts shall be handled by the National Vice President-Secretary.

Section 906. These By-Law provisions will not be applicable in any state where statutory requirements conflict with the By-Law provisions or where the applicable Trust Account becomes subject to the custody or control of such state.

ARTICLE 10 **ADDITIONAL PROVISIONS APPLICABLE** **TO BENEFIT CONTRACTS**

Section 1001. The benefit contract of a Member shall consist of the membership application, the Benefit Certificate, any amendments or riders thereto, the benefit contract, and the Charter and By-Laws now or hereafter in force.

Section 1002. The benefit contract shall also be governed by applicable Federal or state law and by the following specific provisions, unless such contract provides otherwise or unless such provisions are prohibited by Federal or state law:

a. Payment of any claim under a benefit contract pursuant to the contract or any assignment thereof without notice to the Association of any alleged conflicting claimant shall be a complete discharge of the obligation for such claim on the contract or assignment.

b. In case a benefit contract is lost, destroyed or beyond the Member's control, such Member may, on a form furnished by the Association, have a substitute contract or other evidence of coverage issued in its place. No requested change from the original contract shall be effective until the date of issuance of the substitute contract, and, upon issuance of the substitute contract, the original contract shall thereupon become void.

ARTICLE 11 **BENEFIT CERTIFICATES**

When a Benefit Certificate as defined herein does not provide otherwise or unless prohibited by law of the state having jurisdiction, the benefit contract, whether issued before or after the date of these amended By-Laws, shall be governed by the following specific provisions:

Section 1101. BENEFICIARIES

a. Every Member shall have the right to designate a beneficiary. Except in states specifically naming or excluding beneficiaries by statute, any person or entity may be designated as beneficiary.

b. If a beneficiary is named contrary to the laws of the state in which the Member resides, the designation becomes null and void and the share of such persons designated shall be paid to the heirs-at-law of the Member, if any. However, said heirs must prove their claim within

two years of the death of the Member. In the event the claim is not proven, the death benefits shall be payable to the personal representative of the deceased Member. If the beneficiary is a minor under the laws of the state in which the minor beneficiary resides, the insurance proceeds otherwise belonging to such minor beneficiary shall be held by the Association in its Trust Account for the benefit of such minor beneficiary until such minor beneficiary attains the age of majority in such state, unless such state law requires otherwise.

Section 1102. CONTINGENT BENEFICIARIES

Unless contrary to the law of the state in which the Member resides, contingent beneficiaries may be named. Death benefits are payable to contingent beneficiaries in the event the designated principal beneficiary predeceases the Member.

Section 1103. DIVISION OF BENEFITS

a. Where more than one beneficiary is named, the Member shall designate what amounts shall go to each beneficiary. Otherwise, equal shares shall go to each beneficiary.

b. In the event one of the designated beneficiaries dies, his or her share of the benefits shall be divided among the surviving designated beneficiaries in equal shares.

Section 1104. PRECEDENT DEATH OF ALL BENEFICIARIES

If none of the beneficiaries named in the Benefit Certificate should survive the Member, or if there are no beneficiaries named therein, then the surviving spouse, if any, shall be deemed a contingent beneficiary and the death benefit shall be paid to said spouse. If there is no surviving spouse, then the surviving children shall be deemed contingent beneficiaries and the death benefit shall be divided equally among them. If there is no surviving spouse and no surviving children, then the death benefit shall be paid to the personal representative of the deceased Member.

Section 1105. DEATH BY THE HAND OF A BENEFICIARY

If a Member dies by the hand of a beneficiary, unless by accident, such beneficiary, whether sane or insane, shall not be entitled to any payment and his or her share of the death benefit shall be paid in accordance with the rules established for predeceased beneficiaries.

Section 1106. CHANGE OF BENEFICIARY

A Member may change his or her beneficiaries at any time, but only on a form prescribed and furnished by or acceptable to the Association. Such form, properly filled out, must be sent to the Home Office. The National Vice President-Secretary shall change the name or names of the newly designated beneficiary or beneficiaries on the Association's records and shall acknowledge such changes by issuing a Benefit Certificate Endorsement to the Member. Such change shall take effect as of the date of receipt of the requested change at the Home Office. No change of beneficiary shall be allowed or be binding which is not

requested in writing as herein provided. No change of beneficiary request shall be considered which is received at the Home Office after the death of the Member. No beneficiary or other person, except an assignee, shall have any vested interest in the benefits for any claim or loss against the Association or the Member due to any change in beneficiary.

Section 1107. FUNERAL EXPENSES

The Association shall have the right to pay out of the proceeds of the Membership Certificate, a sum not to exceed the amount authorized by the beneficiary of said Certificate towards funeral expenses of the deceased Member, to any person equitably entitled thereto by reason of having incurred burial expenses of the Member. Request for such payment must be made prior to the payment of the claim to the beneficiary.

Section 1108. PREMIUM PAYMENTS

Premium payments shall be due in accordance with the provisions of the benefit contract and these By-Laws.

Section 1109. RECEIPT OF PAYMENTS NOT A WAIVER

If the Association receives and temporarily holds a payment of premium, this action shall not constitute waiver of any of its defenses. If a Benefit Certificate has lapsed or been forfeited, or if the Association has received a notice of cancellation, the payment of any premium for the Certificate shall not revive or continue the Certificate, whether made on notice of premium due or otherwise, and the amount of the payment shall be returned to the Member.

Section 1110. RIGHT OF ACTION

No court action may be started for any claim arising out of a Benefit Certificate, unless the action is started within the time allowed by the laws of the jurisdiction in which the cause of action arises. In the absence of any such laws, the court action must be started within three (3) years from the date the claim arises.

ARTICLE 12 **TAXES**

Should any jurisdiction in which this Association is licensed to do business require the Association to pay any sum as a tax on the receipts of the Association, the Board may, after the payment of said tax, by resolution, make a levy of the full amount of the tax on the Members in such jurisdiction, apportioning such amount in proportion to the premiums of each Member. Notice of such payment shall be given by the publication of a resolution of the Board in the official publication, and also by notice by the National Vice President-Secretary of the Association to the Members in said jurisdiction. Such publication and notice shall constitute sufficient notice thereof to all Members within said jurisdiction. If such special payment is not paid to the Association at its Home Office on or before ninety (90) days from the date of issue of the official notice, the amount of such tax shall be charged against any monies due at any time on the Certificate of such Member, with interest not to exceed statutory limits.

ARTICLE 13 **FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December. The annual statement of the transactions of each fiscal year shall be prepared in accordance with the regulations of the National Association of Insurance Commissioners, the Pennsylvania Insurance Department, and other applicable state insurance departments.

ARTICLE 14 **OFFICIAL PUBLICATION; NOTICES**

Section 1401. The Association shall publish an official publication.

Section 1402. Any notice to the Members of the Association required to be given, including convention calls, elections, changes to the Charter or By-Laws, shall be made in such official publication, and such notice shall have the same effect as though given personally in writing. Placing a copy of such official publication in the mail or by electronic means to the last known address of any Member shall be sufficient service of such notice to him or her. An affidavit by the National Vice President-Secretary certifying that such official publication was mailed or sent by electronic means to each Member on the mailing list shall be filed with the minutes of the Board at its next meeting after publication of such notice.

Section 1403. In addition to the notice provided for in Section 1402, notices to Members at Branches or Delegate Districts may also be given, when authorized by the Board, National President, or National Vice President-Secretary, by publication of such notice in a newspaper of general circulation in the municipality or area where each Branch is located.

ARTICLE 15 **RESTRICTIONS OF AUTHORITY**

Section 1501. No agent or representative of the Association or any Branch and no Branch Officers or Members shall have authority to obligate the Association for the payment of any money by note, endorsement, contract or agreement of any kind, or to waive any terms of the benefit contracts, Certificates or policies, Charter or By-Laws. In the event that any officer, agent or representative of this Association shall attempt to make any contract or stipulation whereby anything is promised to be performed contrary to the Charter, By-Laws, Benefit Certificate, or benefit contract, such promise, contract or stipulation shall be void and of no effect.

Section 1502. Only such modification of benefits as shall be duly authorized by the Association and attested to either by the National President or the National Vice President-Secretary of the Association shall be valid.

ARTICLE 16 **ROBERT'S RULES OF ORDER TO GOVERN**

Unless otherwise provided in the Charter or By-Laws of the Association, or unless superseded by actions of the Board pursuant to the Charter or By-Laws, Robert's Rules of Order shall govern the proceedings at all sessions of

the General Convention and at all meetings of the Board, Committees, and Branches.

ARTICLE 17 **INTERPRETATION AND CONSTRUCTION**

Section 1701. All matters of interpretation and construction of these By-Laws shall be decided by a majority of the entire Board, and such decisions shall be final.

Section 1702. Whenever the context shall so require, all words in the Charter or By-Laws in the masculine gender shall be deemed to include the feminine and neuter gender; and all singular words shall include the plural, and all plural words shall include the singular.

ARTICLE 18 **AMENDMENTS TO BY-LAWS**

Section 1801. PROCEDURE

Articles 2, 3, 18 and 19 of these By-Laws may be amended only by the General Convention by not less than a two-thirds (2/3) affirmative vote of the certified Delegates present at any Regular or Special Session of the General Convention, provided a quorum is present, or by mail referendum of the Delegates as provided in these By-Laws. All other provisions of these By-Laws may be amended by either the General Convention by such vote and quorum or by a two-thirds (2/3) affirmative vote of the entire Board present at any duly called regular or special meeting of the Board. In the event that any of the provisions of these By-Laws conflict with or hereafter shall conflict with any laws or insurance department rulings having the effect of law in any state in which the Association shall be licensed to do business, the Board may, in such instances, amend the By-Laws, so as to comply with such laws or rulings.

1. In order to be considered by the General Convention, amendments in resolution form must be filed with the National Vice President-Secretary by ninety (90) days prior to the next Regular Session of the General Convention, and be referred to the By-Laws Committee. Thereafter, such proposed amendments and any other required proposed amendments initiated by the Board, if approved by the Board, shall be submitted to the Convention Delegates for their consideration and approval.

2. Such amendments may be initiated by:

- a. the Board;
- b. any Branch if filed with the National Vice President-Secretary by ninety (90) days prior to the next Regular Session of the General Convention;
- c. a resolution signed by twenty-five (25) Delegates
- d. written request of twenty-five (25%) percent of the Delegates on the first day of any Regular Session of the General Convention or of any Special Session called for the purpose of considering the amendment; or
- e. the By-Laws Committee, subject to approval of the Board.

3. The National Vice President-Secretary shall mail or send by electronic means to each Delegate ten (10) days prior to the convening of any Regular or Special Session of the General Convention copies of the revised By-Laws incorporating the proposed amendments recommended by the Board.

Section 1802. BINDING EFFECT

When the General Convention shall amend the By-Laws and such By-Laws have been approved by the Insurance Commissioner of Pennsylvania, the amended By-Laws shall be published in the Association's official publication. Such By-Laws, as amended, shall be binding upon every Member of the Association and upon all those deriving legal rights from such amendments, and shall be effective as provided by law.

ARTICLE 19 **AMENDMENTS TO CHARTER**

Section 1901. PROCEDURE

The Charter of this Association may be amended only by the General Convention by the adoption, by a two-thirds (2/3) affirmative vote of the certified Delegates present at any Regular or Special Session of the General Convention, provided a quorum is present, of a resolution setting forth the changes proposed in said Charter as they will read if the resolution is adopted. The procedures to be employed in submitting amendments to the Charter to the General Convention shall be the same as that set forth in Sections 1801.1, 1801.2, and 1801.3 hereof.

Section 1902. CONFLICT

In the event that any of the provisions of the Charter conflict with or shall hereafter conflict with any laws or insurance department rulings having the effect of law in any state in which the Association shall be licensed to do business, the Board may in such instances, by resolution, amend the Charter, so as to comply with such laws or rulings.

Section 1903. BINDING EFFECT

When the General Convention shall amend the Charter, and such amended Charter has been approved by the Insurance Commissioner of Pennsylvania, the Charter, as amended, shall be published in the Association's official publication and shall be effective as provided by law. From and after such publication, the Charter, as amended, shall be binding upon every Member of the Association, and upon all those deriving legal rights from such amendments.

ARTICLE 20 **REPEALING CLAUSE**

All By-Laws previously in effect shall be repealed as of the effective date of these By-Laws; provided, however, that this Section shall not be deemed to affect rights or obligations that have vested as of the effective date of these By-Laws pursuant to any Benefit Certificate or other contract.

ARTICLE 21

PROOF OF BY-LAWS

Any printed copy of the By-Laws of the Association, duly certified under the seal thereof by the National Vice President-Secretary, shall be admissible in evidence in any case or proceeding between any Member and the Association; or between any beneficiary or beneficiaries and the Association; and shall be prima facie proof that such By-Laws were duly adopted by the Association at the time they purport to have been adopted and were in force from and after the effective date fixed therein and until the same shall have been shown to have been amended or repealed. This Section is subject to the rules of evidence of any court having jurisdiction over the subject matter.

ARTICLE 22

GOVERNING LAW AND JURISDICTION

Section 2201. GOVERNING LAW

The provisions of the Charter and these By-Laws shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

Section 2202. JURISDICTION

All proceedings and actions, whether at law or in equity, brought against the Association, arising out of or relating to the interpretation or construction of the Charter or these By-Laws shall be brought only in the United States District Court for the Western District of Pennsylvania or in the Court of Common Pleas of Allegheny County, Pennsylvania.

ARTICLE 23

CONSOLIDATION OR MERGER

If any alliance, fellowship or society in the United States having similar aims, desires to consolidate or merge with the Association, the decision whether or not to do so shall be made by the Board in accordance with the laws of the Commonwealth of Pennsylvania and subject to the approval of the state of domicile of the other merging or consolidating entity and the General Convention.

ARTICLE 24

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 2401. PERSONAL LIABILITY OF DIRECTORS

A Director of the Association shall not be personally liable for monetary damages for any action taken, or failure to take any action, as a Director, except to the extent that under applicable law (including the Pennsylvania Directors' Liability Act, 42 Pa. C.S.A. § 8361 et seq.) a Director's liability for monetary damages may not be limited.

Section 2402. INDEMNIFICATION

1. The Association shall indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened or pending action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Director or National Officer of the Association, or is or, while a Director or National Officer of the Association, was serving at the request of the Association, as a director, officer, employee, agent, fiduciary or other representa-

tive of another association, corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines, excise taxes and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding to the full extent permissible under Pennsylvania law.

2. The preceding Section 2402.1 shall not apply to any person who was or is a party defendant or is threatened to be made a party defendant to any threatened or pending action, suit, or proceeding, whether civil, criminal, administrative, or investigative, actually brought by the Association to enforce its rights under state or federal law, its Charter, or these By-Laws. This Section 2402.2 shall not apply to any derivative suit brought by a Member in the name of the Association.

Section 2403. ADVANCEMENT OF EXPENSES

Reasonable expenses incurred by a Director or National Officer of the Association in defending his or her position or the Association's position in a civil or criminal action, suit or proceeding described in Section 2402 hereof, may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount, together with such security for same as the Board, in its sole discretion, shall deem satisfactory, if it should ultimately be determined that the person is not entitled to be indemnified by the Association.

Section 2404. OTHER RIGHTS

The indemnification and advancement of expenses provided by or pursuant to the provisions of this Article 24 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Association's Charter, any insurance or other agreement, action of the Board or otherwise, both as to actions in their official capacity and as to actions in another capacity while holding an office, and shall continue as to a person who has ceased to be a Director or National Officer and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 2405. INSURANCE

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director or National Officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the provisions of these By-Laws.

Section 2406. SECURITY FUND; INDEMNITY AGREEMENTS

By action by the Board (notwithstanding their interest in the transaction), the Association may create and fund a trust fund or fund of any nature, and may enter

into agreements with its Directors and National Officers, for the purpose of securing or insuring in any manner its obligation to indemnify or advance expenses provided for in pertinent provisions of this Article 24.

Section 2407. MODIFICATION

The duties of the Association to indemnify and to advance expenses to a Director or National Officer provided in this Article 24 shall be in the nature of a contract between the Association and each such Director or National Officer, and no amendment or repeal of any pertinent provision of this Article 24, and no amendment or termination of any trust or other fund created pursuant to Section 2406 hereof, shall alter, to the detriment of such Director or National Officer, the right of such person to the advancement of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment, repeal or termination.

Section 2408. PRIOR ACTS

Indemnification for any prior action taken or failure to act shall be governed by 15 Pa. C.S.A. § 1741 et seq., as amended.

ARTICLE 25 AUTHORITY

All matters not specifically covered in these By-Laws shall be decided by a majority of a quorum of the Board, and such decisions shall be final.

ARTICLE 26 DEFINITIONS

1. **Act:** The Pennsylvania Fraternal Benefit Society Code of 2002, 40 Pa. C.S.A. Sections 991.2401, et seq., as amended.

2. **Advisors:** Those officers and other appointees described in Section 308.2 of these By-Laws, together with the National Advisory Committee, and such persons, firms or corporations engaged or retained by the Board or with Board approval, to consult with and make recommendations regarding decisions, actions or conduct with respect to matters concerning the Association and its business.

3. **Affiliate:** Any entity owned or administered, in whole or in part, directly or indirectly, by the Association or the Branch.

4. **Agency Manager:** A person who represents the Association and is in charge of the supervision of Sales Agents under his or her jurisdiction.

5. **Association:** William Penn Association.

6. **Benefit Certificate:** The official printed document of the Association evidencing the rights and responsibilities of an insured or annuitant pursuant to a contract of insurance or an annuity.

7. **Benefit Member:** One who is insured for life, annuity (subject to Section 7.c.) or endowment benefits by the Association, as evidenced by one or more Certificate(s) of Membership issued by the Association.

a. **Adult Benefit Member:** Any person admitted to Benefit Membership who has attained the age of sixteen (16) years or more.

b. **Juvenile Benefit Member:** Any person admitted to Benefit Membership who has not attained the age of sixteen (16) years.

c. **Annuitant Member Limitation:** Only an Annuitant who maintains a minimum annuity balance of \$500.00 shall be an Adult Benefit Member or a Juvenile Benefit Member, as the case may be.

8. **Board:** The Board of Directors of the Association.

9. **Branch:** A separate but dependent local division or lodge of the Association.

10. **Branch Officers:** Those officers elected by the Branches.

11. **By-Laws:** The By-Laws of the Association, as duly amended periodically.

12. **Certificate of Membership:** The official printed document of the Association evidencing life, endowment or annuity benefits written by the Association in favor of the person named therein.

13. **Charter:** The Charter or Articles of Incorporation, as amended, of the Association as filed with the Secretary of the Commonwealth of Pennsylvania.

14. **Directors:** The National Directors of the Board.

15. **General Convention:** The highest legislative or governing body of the Association, composed of both Delegates elected as provided in these By-Laws and ex-officio Delegates.

16. **Home Office:** The national headquarters of the Association.

17. **Immediate Family Member:** A spouse, life partner, parent, or child of such person.

18. **Insurable Interest:** An insurable interest in accordance with applicable laws and regulations.

19. **Lodge System:** Any alliance, fellowship or society having a structure or organization of a supreme legislative body and subordinate lodges or branches, into which members are elected, initiated or admitted in accordance with its constitution, laws, rituals or rules; and which subordinate lodges or branches are required by the laws of the society or fellowship to hold regular meetings.

20. **Member:** A Member of the Association as determined pursuant to Section 107 of the By-Laws.

21. **National Officers:** Those National Officers elected by the Board.

22. **Sales Agent:** Any agent working under contract with the Association, including the following:

a. **Full-Time Agent:** A captive agent who sells exclusively for the Association.

b. **General Agent:** An agent who represents the Association but may represent one or more additional insurance carriers.

c. **Special Agent or Representative:** An agent who sells insurance or annuities exclusively for the Association but who is free to engage in other occupations.

ARTICLE 27 **EFFECTIVE DATE**

These By-Laws shall take effect and be in force upon approval by the Insurance Commissioner of Pennsylvania or sixty (60) days after filing.

The effective date of these By-Laws is October 31, 2019.

CERTIFICATION

I, CASSANDRA HOLMES, National Vice President-Secretary of the William Penn Association, hereby certify the Charter of the William Penn Association as amended and restated as follows:

CHARTER

WILLIAM PENN ASSOCIATION AS AMENDED AND RESTATED

BE IT KNOWN that the subscribers having associated themselves together for the purpose of forming a beneficial society for Hungarian American citizens and being desirous of becoming incorporated agreeably to the provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania entitled, "An Act to provide for the Incorporation and Regulation of certain Corporations" approved the 29th day of April, A.D. 1874, and its supplements do hereby declare, set forth and certify that the following are the purposes, objects, articles and conditions of their said association for and upon which they desire to be incorporated:

1. The name of the corporation is William Penn Association. (As amended effective July 13, 1972). (3-1-72.36) 1391.

2. The business of this Association shall be conducted in accordance with the purposes of fraternal benefit societies, as provided by the laws of the various jurisdictions, its purposes shall be:

(a) To create funds for mutual aid as established by the Board of Directors and as permitted by any body having jurisdiction where the Association is authorized to do business;

(b) To preserve the funds from mismanagement and loss by judicious investments;

(c) To disburse the funds among the aged, sick members, widows and orphans or designated beneficiaries of deceased members as provided in the membership certificates;

(d) To retain and foster in the United States of America Hungarian culture and heritage as established by the Founding Fathers of the Association. (As amended effective July 13, 1972). (3-1-72.36) 1391.

3. The corporate powers of the Society shall be exercised through a Convention which shall be its supreme legislative and governing body, a Board of Directors, Executive Committee and other committees, officers and

subordinate branches. (As amended effective May 16, 1960). (3-1-60.16) 110.

4. The place where its principal office is located in the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania. (As amended effective May 16, 1960). (3-1-60.16) 110.

5. The Corporation is to exist perpetually.

6. The names and residences of the subscribers are as follows:

NAME RESIDENCE

Kriszt Ferencz.....	Hazleton, PA
John Nemeth.....	Hazleton, PA
John Bugely.....	Hazleton, PA
George Chollak.....	Hopeville, PA
Michael Palinkas.....	Mt. Pleasant, PA
John Eckbauer.....	Mt. Pleasant, PA
Joseph C. Schwartz.....	Mt. Pleasant, PA

The Corporation has no capital stock.

7. (a) The Association shall have a Board of Directors charged with the responsibility for its affairs in the interim between meetings of the General Convention, and having the powers and duties delegated to it in the Charter and By-Laws of the Association.

(b) The Board of Directors shall consist of no fewer than seven (7) nor more than fifteen (15) Directors to be elected by the General Convention and in addition those who are Directors by virtue of their office.

(c) The Officers of the Association shall be: National President, National Vice President-Secretary, National Vice President-Treasurer, and National Vice President, who shall be elected as provided in the By-Laws. The Directors and National Officers shall hold their respective offices until their successors have been elected and have qualified for the discharge of their duties.

WITNESS OUR HANDS AND SEALS THIS EIGHTH DAY OF NOVEMBER, ANNO DOMINI ONE THOUSAND EIGHT HUNDRED AND EIGHTY-SIX.

Kriszt Ferencz	(Seal)
John Nemeth	(Seal)
John Bugely	(Seal)
John Eckbauer	(Seal)
Michael Palinkas	(Seal)
Charles Juhasz	(Seal)
Joseph C. Schwartz	(Seal)

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LUZERNE

Before me, the subscriber, Recorder of the County of Luzerne, personally appeared Jno. Nemeth, Jno. Bugely, Jos. C. Schwartz, three subscribers to the above and foregoing Certificate of Incorporation of "Verhovay Betegsegelyzo Egylet Alapszabalyai" and in due form of law acknowledged the same to be their act and deed.

WITNESS MY HAND AND OFFICIAL SEAL THIS 29TH DAY OF NOVEMBER, A.D. 1886.
JOSEPH H. GLENNON, Recorder

And now to witness, the 29th day of November, A.D. 1886, having pursued and examined the within instrument and finding it to be in proper form and within the purposes of the first class of Corporations not for profit specified in section one of the Act entitled, "An Act to provide for the Incorporation and Regulation of certain Corporations," approved the 29th day of April 1874 and supplements. Due proof of publication according to law being first made and it appearing lawful and not injurious to the community, I hereby order and decree that the charter be and is hereby approved and that upon recording said charter and order that the subscribers thereto and their associates shall be a corporation for the purpose and upon the terms therein stated.

By the Court - Stanley Woodward, Judge
(Recorded Luzerne County)
(Charter Book 2, Page 261)

Amendment No. I

Court of Common Pleas Luzerne Co. 9-3-1901 (Recorded Charter Book 5, Page 520)

Amendment No. II

Court of Common Pleas #42, Luzerne Co., March T (3-2-1910) 1910 (Recorded Charter Book 7, Pages 65, 66, 67)

Amendment No. III

Court of Common Pleas #1133, Luzerne Co., May T, 1926 - 4-22-26 (Recorded Charter Book at No. 634, May 19, 1955)

Amendment No. IV

Court of Common Pleas Allegheny Co. #2350, January T, 1936 - December 30, 1935 (Recorded Charter Book 66, Page 339)

Amendment No. V

Court of Common Pleas Allegheny Co. #734, April T, 1947B Decree - February 14, 1947

Amendment No. VI

Pennsylvania Department of State and Insurance Department 3-1-55.23 (1055) approved July 13, 1972

Amendment No. VII

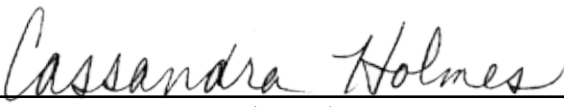
Pennsylvania Department of State and Insurance Department 3-1-60.16 (108) approved May 16, 1960

Amendment No. VIII


Pennsylvania Department of State and Insurance Department 3-1-72.36 (1391) approved July 13, 1972

Certification

I, CASSANDRA HOLMES, NATIONAL VICE PRESIDENT-SECRETARY, DO HEREBY CERTIFY THAT THE FOREGOING CHARTER AND BY-LAWS ARE A COMPLETE, TRUE AND CORRECT COPY THEREOF AS AMENDED AND RESTATED FROM TIME TO TIME, THE BY-LAWS BEING LAST RESTATED AND AMENDED BY THE 39TH GENERAL CONVENTION ON OCTOBER 13, 2019.


Cassandra Holmes
National Vice President-Secretary

SUBSCRIBED TO AND SWORN BEFORE ME A NOTARY PUBLIC THIS 3rd DAY OF DECEMBER, 2019.


Notary Public
RONDA L. KONESKY, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires October 26, 2021

In Memoriam

On October 14, 2019, the 39th General Convention honored those members who had passed away since the last convention with a special memorial service. Among our deceased members were many who were builders of the Association, people whose dedication, loyalty and hard work made WPA a leader in the fraternal benefit system and the American Hungarian community. Whether these individuals served on the national or branch level, in the Home Office or in the field, it was only fitting that their names be noted in the records of the Convention, and that the delegates pay tribute to their valuable contributions. Among those honored during the service were:

HOME OFFICE EMPLOYEE

Judith K. Chakey

ILLUSTRIOUS MEMBERS

Arthur Barillo, Branch 51 Passaic, NJ

Ethel Fodor, Branch 349 Weirton, WV

RETIRED NATIONAL OFFICERS & NATIONAL DIRECTORS

Margaret H. Boso, National Director

Albert Frate, National Director

Frances A. Furedy, National Vice President-Treasurer

John F. Kenawell, Executive Vice President

John L. Lovasz, National Treasurer

George F. Mirkovich, National Director

RETIRED HOME OFFICE EMPLOYEES

Mary M. (Muncie) Allen - **Maria M. Bistey** - **Robert A. Kapinus**

Robert M. Kaczmarek - **Henry A. Shozda** - **John A. Tusai, Sr.**

BRANCH OFFICERS AND COORDINATORS

Margaret Antonasanti, Branch 189 Alliance, OH

Irene B. Charles, Branch 296 Springdale, PA

Arlene J. Csoman, Branch 352 Coraopolis, PA

Michele Daley-LaFlame, Branch 249 Dayton, OH

Annette I. David, Branch 16 Perth Amboy, NJ

David G. Greiner, Branch 800 Altoona, PA

Caroline M. Hrabar, Branch 16 Perth Amboy, NJ

Rev. Albert W. Kovacs, Branch 8036 Scottdale, PA

Steven E. LaFlame, Branch 249 Dayton, OH

Margaret (Joan) Mauerman, Branch 590 Cape Coral, FL

Stephen A. Novak, Branch 28 Youngstown, OH

Gordon J. Rice, Jr., Branch 8114 Clarion, PA

Cynthia L. Smith, Branch 400 Charlotte, NC

Jacob J. (Jack) Tokar, Branch 76 Philadelphia, PA

Ruth D. Toth, Branch 89 Homestead, PA

Douglas W. Truesdell, Branch 18 Lincoln Park, MI

Paul J. Varga, Branch 14 Cleveland, OH

Caroline B. Varner, Branch 159 Phoenixville, PA

Virginia T. Volter, Branch 14 Cleveland, OH

Myron J. Yeager, Branch 800 Altoona, PA

We honor the memory of all departed members of our great fraternal society.
May the blessing of Almighty God be with them and their loved ones. May they rest in peace.



William Penn Fraternal Association Scholarship Foundation

Tree of Knowledge

Helping our young members meet the challenges of modern educational economics requires great effort by all our members and friends. Towards this end, the WPFA Scholarship Foundation has created the **Tree of Knowledge**. The Tree is mounted in the second floor foyer of the WPA Home Office. Those making donations through this program will be recognized with individual "leaves" on the tree, which can be used to honor and remember loved ones. Donations are being accepted at three levels: Gold (\$1,000), Silver (\$500) and Bronze (\$250). Those wishing to purchase a leaf may use the form below. Please help our tree "grow" and allow us to continue to assist young members reach their educational and professional dreams.

I want to help the Tree of Knowledge grow. Please accept my tax-deductible contribution of:

☐ \$1,000 - Gold Level ☐ \$500 - Silver Level ☐ \$250 - Bronze Level

Name: _____

Address: _____

Telephone: _____ Email: _____

Leaf Inscription - Maximum of 4 lines with 20 characters per line (including blank spaces):

Line 1: _____

Line 2: _____

Line 3: _____

Line 4: _____

Please make checks payable to "William Penn Fraternal Association Scholarship Foundation, Inc." and mail to:

William Penn Fraternal Association Scholarship Foundation, Inc.

709 Brighton Road, Pittsburgh, PA 15233-1821

Inside this issue:

Remarks from the National President
and National V.P.-Treasurer

Photographs from the Convention

The Minutes of the General Convention

The By-Laws of the Association

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*We thank all the Home Office employees,
National Officers, National Directors,
members and friends of the Association
who helped make our 39th General Convention
a productive and enjoyable fraternal event.*

