



INSURING LIVES • SUPPORTING WOMEN • SERVING COMMUNITIESSM

Rules, Regulations, And Policies for Chapters of the Society

Rock Island, Illinois

EXHIBIT B

Rules, Regulations and Policies for Chapters of the Society

Organization of Chapters.

Sec. 1. **Definition and Jurisdiction.**—A Chapter shall be a regularly chartered subordinate body of the Society, and may admit to its membership any person who is eligible for either general or beneficial membership under the provisions of the Society's bylaws.

Sec. 2. **Petition for and Issuance of Charter.**—The petition for charter, and list of leadership team elected or appointed shall be forwarded to the Secretary of the Society who, if upon receipt is satisfied that the petitioning Chapter is entitled, shall issue a charter to the new Chapter and forward to the Secretary/Treasurer of the Chapter all necessary supplies. All charters and supplies shall be held in trust by the Chapters, and these items shall be returned to the Society if a charter is annulled or forfeited for any cause.

Sec. 3. **Adoption and Amendment of Chapter Bylaws.**—Immediately after a Chapter is organized, bylaws of the Chapter shall be adopted. The bylaws shall not be in conflict with the bylaws of the Society, and shall contain the name of the Chapter, which shall include the name of the Society as a part of the Chapter name, and shall contain provisions for holding regular meetings of the Chapter and such other provisions as may be deemed necessary to properly govern and conduct the business of the Chapter. The bylaws may be amended by a two-thirds vote of the members present at any regular meeting or any special meeting called for that purpose, if the proposed amendment has been submitted in writing and read at a previous regular meeting or special meeting called for that purpose. The bylaws and its amendments must be adopted by the Chapter and filed with the President of the Society before becoming effective. If no bylaws are adopted by the Chapter within 120 days after a charter is issued to the Chapter, the Standard Chapter Bylaws shall become effective.

Sec. 4. **Property and Funds of Chapter.**—The Chapter shall use its funds or property for the purpose of promoting the welfare of the Chapter and perpetuating the Chapter as an organization, and its funds and property shall never be divided among its members. No Chapter shall sell any real property belonging to it unless authorized to do so by a two-thirds vote of the members present at a regular or special meeting prior to which notice of such proposed action has been previously given to every member of the Chapter in the same manner as specified for giving notice of a special meeting.

Sec. 5. Chapter Audits and Removal of Chapter Officers.—The Secretary of the Society may take control and custody of the books, records, moneys, securities, property, funds, supplies and accounts of any Chapter or Chapter officer for examination, audit and safekeeping. The Secretary of the Society also may, in the best interests of the Chapter, convert to cash any securities, property, certificates of deposit, accounts or other evidences of indebtedness and, if the Chapter is an inactive Chapter as defined in these rules, hold any cash and funds subject to disposition as provided in these rules. The Secretary of the Society, either personally or through an auditor or other person, shall have authority to remove from office any Chapter officer who shall fail to keep proper records or to account for all moneys received or entrusted in an official capacity or to otherwise perform official duties in accordance with the bylaws, rules and regulations of the Society and shall have authority to order the election and installation of a successor at the next regular meeting of the Chapter or at a special meeting called for that purpose. Any officer so removed shall be eligible to hold the office of President, Secretary/Treasurer or Event Planner of a Chapter only upon written approval of the Secretary of the Society.

Meetings of Chapters.

Sec. 6. Regular and Adjourned Meetings.—Chapters shall hold regular meetings at least once a month as designated in the Chapter bylaws. Five members shall be necessary to constitute a quorum.

Sec. 7. Inactive Chapters.—An inactive Chapter is one which has been determined by the Secretary of the Society to have failed to hold regular meetings, elect or appoint a leadership team or make any report required as provided in these bylaws.

Sec. 8. Inactive Chapter Funds.—All funds belonging to an inactive Chapter shall revert to the Society and shall be credited to the Fraternal Fund, provided, however, whenever an inactive Chapter again becomes active, or intends to become active, upon authorization of the Secretary of the Society, an amount not exceeding two hundred dollars (\$200) shall be paid from the Fraternal Fund to the Chapter to be expended by it in accordance with these bylaws.

Sec. 9. Special Meetings.—Special meetings of Chapters shall be called by the Chapter President when deemed necessary or expedient or when requested by five or more members. The call for a special meeting must fully state its objects and no other business can be transacted. A written notice of the meeting shall be mailed by the Secretary, or by any other member of the leadership team of the Chapter authorized by the President, to the last known address of every Chapter member or shall personally be served or left at his or her residence or place of business, or notice may be given by telephone or other

authorized electronic means of communication in time to reach the member and enable him or her to reach the place of meeting by the time set.

Sec. 10. **Children Allowed.**—Youth members may be admitted to the Chapter meetings but shall not have a voice or vote in the management of the Society.

Chapter Officers.

Sec. 11. **Elective Officers.**—The Leadership Team of this Chapter shall consist of a President, Secretary/Treasurer and Event Planner. The President and the Secretary/Treasurer shall be nominated and elected at the first regular meeting in February of each year. The President shall be a woman member of the Chapter.

Sec. 12. **Appointive Officers.**—The President shall appoint the Event Planner as soon as practicable after her election and before the next regular meeting of the Chapter.

Sec. 13. **Election of Officers.**—The President and Secretary/Treasurer of the Chapter shall be nominated and elected at the regular business meeting in February of each year in the order of precedence shown in Section 11. The nominations may be verbal or by written ballot, but the election must be by written ballot. The President shall act as judge of the election. All beneficial and general members of the Chapter shall be entitled to vote. If there are three or more candidates for the same office, the one having the least number of votes shall be dropped at the conclusion of each ballot until some candidate shall have received the majority of all votes cast. In case of a tie on the final vote another ballot shall be taken and if this ballot also results in a tie the election, as between the two candidates, shall be determined by lot under some plan to be determined by the Chapter. If there be but one candidate for any position, ballot may be dispensed with and by vote of the Chapter, a unanimous ballot of the Chapter shall be cast. If for any reason the election cannot be held at the time fixed, it may be held at the next succeeding meeting or at any regular or special meeting called for that purpose.

Sec. 14. **Installation.**—Both elective and appointive members of the leadership team may be installed at any regular or special meeting after their term of office commences. Any national officer or member of the Society may be chosen by a majority vote of the Chapter to act as Installing Officer. Any member elected to the Leadership Team who is excused from being present at the installation may be installed by proxy or at the next regular or special meeting.

Sec. 15. **Term of Office and Delivery of Property to Successor.**—The President and Secretary/Treasurer shall be elected for a term of one year, commencing on the first day of March and ending on the last day of the next succeeding February or, if for any reason their successors have not then been

elected, at the time as their successors are subsequently elected. The Secretary/Treasurer shall not serve more than three consecutive terms. The Event Planner shall be appointed for a term of one year ending at such time as a successor is appointed. Every member of the Leadership Team of the Chapter, at the conclusion of each term of office, shall deliver to the successor all moneys, securities, records, vouchers, seals, papers and property of every kind pertaining to the office and the successor shall furnish a receipt.

Sec. 16. Procedure in Case of Temporary or Permanent Vacancy.—In case of the temporary absence of any member of the Leadership Team, the Chapter President shall appoint a member to fill the position during the absence. In case the President or Secretary/Treasurer is removed, or the position is vacated in accordance with the provisions of these bylaws, an election conducted in the same manner as prescribed for regular elections shall be held at the next regular meeting to fill the position for the unexpired term. In case any Event Planner is removed from office, or the position is vacated under the provisions of these rules the Chapter President shall appoint another member to fill the position for the unexpired term.

Sec. 17. Vacated Position.—If any member of the Leadership Team tenders a resignation, it may be accepted and the office may be declared vacant by a majority vote of the Chapter.

Sec. 18. Removal of Officers.—Any member of the Leadership Team may be removed for cause by a three-fourths vote of the members present at any regular or special meeting; provided, however, that notice of the proposed action must have been previously given to every member of the Chapter in the same manner as specified for giving notice of a special meeting. If any funds of a Chapter are lost through default, dishonesty or misuse of funds by a member of the Leadership Team of the Chapter, the member of the Leadership Team shall be automatically removed from the position and shall be eligible to hold a position in a Chapter or the Society only upon written approval of the Secretary of the Society.

Sec. 19. Report of Chapter.—At the regular business meeting in February of each year the President and Secretary/Treasurer shall make accurate written summary reports to the Chapter of the financial and other transactions of their respective positions for the annual term ending with the last day of the preceding December, which reports shall be recorded in the minutes of the Chapter. The President and Secretary/Treasurer also shall make other reports as from time to time may be required by the bylaws of the Chapter or of the Society, or by the President or the Secretary of the Society.

President.

Sec. 20. Responsibilities.—The President shall lead all meetings of the Chapter, preserve order, appoint an Event Planner and any committees, and enforce the laws and regulations of the Chapter and of the Society. She shall

see that complete reports are made at proper time to the Society, sign all documents which require the signature of the presiding officer, inspect and announce the result of all balloting or other voting, and perform other duties as are prescribed by the Chapter bylaws or the Society.

Secretary/Treasurer.

Sec. 21. **Responsibilities.**—The Secretary/Treasurer shall be the corresponding and accounting officer of the Chapter and the custodian of the funds and any investment securities of the Chapter. It shall be the duty of the Secretary/Treasurer to keep accurate minutes of all meetings; preserve the records and accounts of the Chapter; maintain a mailing list showing the names and addresses of all members of the Chapter; notify the Fraternal Services Department of the Society of any changes in the mailing list; receive all funds and dues for the Chapter, give receipts, retain stubs of the receipts, pay all orders authorized by the Chapter and perform other duties as may be prescribed in these bylaws. All funds of the Chapter shall be deposited in the name of the Chapter in a bank designated by a majority vote of the Chapter as the depository for the funds. Monthly statements of the balances in the funds shall be obtained from the bank by the Secretary/Treasurer who shall report to the Chapter periodically the balance on hand in each fund of the Chapter and shall, whenever required by the Chapter, produce records and account for all funds of the Chapter for which the Secretary/Treasurer is responsible. No records or accounts of the Chapter shall ever be destroyed unless written permission to do so is first obtained from the Secretary of the Society.

Sec. 22. **Sign Orders.**—The President and/or Secretary/Treasurer shall sign all orders and all official documents requiring their signature(s).

Sec. 23. **Agent of Chapter.**—The Secretary/Treasurer of a Chapter hereby is declared to be the agent of the Chapter and not an agent of the Society. No act or omission by the Secretary/Treasurer shall have the effect of creating a liability on the part of the Society or waiving any right or immunity belonging to it.

Event Planner.

Sec. 24. **Responsibilities.**—The Event Planner shall assist the President in organizing the regular meetings of the Chapter. It shall be the responsibility of the Event Planner to prepare an annual agenda of meetings and activities of the Chapter, to coordinate the meetings and activities of the Chapter and prepare any correlating documentation or reports of the meetings and activities and perform any other duties that are prescribed by the Chapter bylaws or the Society.

Annual Audit and Financial Statement of Chapters.

Sec. 25. **Annual Audit and Financial Statement of Chapters.**—The books, records and accounts of each Chapter shall be audited annually, and an

annual financial statement of each Chapter shall be furnished to the Fraternal Services Department of the Society, under rules approved by the Society.

Chapter Dues.

Sec. 26. **Permissibility.**—A Chapter may assess annual Chapter dues as prescribed in the Chapter bylaws to be collected from all members of the Chapter not to exceed an amount determined by the Society.

Transfer of Membership.

Sec. 27. **From One Chapter to Another.**—Any member may transfer his or her membership from one Chapter to another by making written application for the transfer and complying with the rules and regulations as may be prescribed from time to time by the Society for transfer.

Consolidation and Dissolution.

Sec. 28. **How Achieved.**—Two or more Chapters may consolidate if at a regular meeting of each such Chapter two-thirds of all the members who are present shall vote in favor of consolidation; provided, however, that notice of a proposed consolidation shall be given to each member in each Chapter at least forty-eight hours prior to holding the meeting, in the same manner as specified in these rules for giving notice of a special meeting. The resolution adopted by each Chapter desiring consolidation, together with the charter of the dissolving Chapter, shall be forwarded to the Secretary of the Society, and the consolidation shall then become effective; provided that when deemed expedient, the President of the Society shall have power for cause to dissolve or consolidate Chapters or to deny them the right to do so. All property and funds of the dissolved Chapter shall become the property of the consolidated Chapter and the consolidated Chapter shall be liable for the debts of the dissolved Chapter. No Chapter shall be dissolved nor its charter forfeited on account of decreased membership until the Secretary/Treasurer shall have been notified by the Secretary of the Society and given time as deemed reasonable by the Secretary of the Society to secure the required increase in membership.

Sec. 29. **Dissolution.**—When a Chapter is dissolved or its charter is revoked and the Chapter is not consolidated with another Chapter in accordance with the provisions of the preceding section, all property and funds of the Chapter shall revert to and become property of the Society. The officers of such Chapter shall promptly convey and deliver all property and funds to the Secretary of the Society who shall first apply the property and funds to pay any indebtedness of the Chapter to the Society at the time of its dissolution and any remaining property shall be credited to and placed in the state scholarship fund for the state in which the dissolved Chapter is located, but if there is no state scholarship fund, then the property shall be placed in the Fraternal Fund.

Sec. 30. **Offenses.** –Any offenses or violations by a Chapter under any rules, regulations, policies or principles of the Society shall be referred to the President of the Society to decide whether any changes should be made to the status of the Chapter’s charter.

These rules, regulations and policies for Chapters of the Society were adopted by resolution of the Board of Directors November 9, 2005 and became effective on that date.