

**SOVEREIGN MILITARY HOSPITALLER ORDER OF
SAINT JOHN OF JERUSALEM
OF RHODES AND OF MALTA
AMERICAN ASSOCIATION, U.S.A.**

BY-LAWS



ADOPTED BY MEMBERS JULY 15, 2009

APPROVED BY THE SOVEREIGN COUNCIL SUMMER 2009

**BY-LAWS OF THE
SOVEREIGN MILITARY HOSPITALLER ORDER
OF ST. JOHN OF JERUSALEM OF
RHODES AND OF MALTA
AMERICAN ASSOCIATION, U.S.A.**

ORGANIZATION

The Grand Master of The Sovereign Military Hospitaller Order of St. John of Jerusalem of Rhodes and of Malta (the "Order") with the deliberative vote of the Sovereign Council of the Order (the "Sovereign Council") has granted and decreed a constitution, which created the National Association now known as the Sovereign Military Hospitaller Order of St. John of Jerusalem of Rhodes and of Malta, American Association, U.S.A. (a/k/a Order of Malta, American Association, USA (the "Association")). In accordance with such grant and decree, the Association is organized pursuant to the Not for Profit Corporation Law of the State of New York.

PURPOSE

The purpose of the Association is to implement the objectives of the Order under the authority of the Grand Master and the Sovereign Council, to promote the Glory of God through the sanctification of its members, service to the Faith and the Holy Father and assistance to one's neighbor, in accordance with its ancient traditions.

True to the divine precepts and to the admonition of our Lord Jesus Christ, guided by the teachings of the Church, the Order affirms and propagates the Christian virtues of charity and brotherhood. The Order carries out its charitable works for the sick, the needy and refugees without distinction of religion, race, origin and age.

The Order fulfills its institutional tasks especially by carrying out hospitaller works, including social, health assistance, as well as aiding victims of exceptional disasters and of war, attending also to their spiritual well-being and the strengthening of their faith in God.

ARTICLE I

MEMBERS OF THE ASSOCIATION

Section 1.

All members of the Order residing in the territory of the Association have the right to membership in the Association. Members of the Order who belong to another Priory or Association upon their arrival in the territory of the Association may remain members of that Priory or Association.

Section 2.

A Member of the Order who proposes, for justified reasons, to request admission to a Priory, Sub Priory or Association outside the territory where he resides, must do so with the approval of his superior.

Section 3.

There shall be an Annual Meeting of the membership of the American Association to be held at such time and in such place as shall be determined in each year by the Board of Councillors.

Section 4.

Special meetings of the members of the American Association may be called at any time by the President, by the Board of Councillors or by five (5%) percent of the members.

Section 5.

Notice of the time and place of annual and Special Meetings shall be given to each member not less than thirty (30) days prior to the date of the meeting.

Section 6.

A quorum for the transaction of business at a meeting of the members or by a mail ballot shall be twenty percent (20%) of the membership, present in person or present by proxy or who have cast an authorized mail ballot. The vote of a majority of the members so present shall be necessary for any action to be taken by the membership.

Section 7.

The President and Treasurer of the American Association shall give reports at the Annual Meeting to the membership together with reports of such other persons as the President shall deem appropriate.

Section 8.

There shall be a reunion or assemblage of the members of the American Association within each geographic area established by the Board in a church or chapel designated by the respective Area Chairperson, on or about June 24th each year, the annual Feast Day of St. John the Baptist, the Patron Saint of the Sovereign Military Order of Malta. Each member of the American Association shall have the obligation to attend such reunion or assemblage unless for justified reasons it is impossible for the member to be present.

ARTICLE II

BOARD OF COUNCILLORS

Section 1.

Subject to ratification by the Sovereign Council, the President and twenty-four (24) Knights and Dames of the Sovereign Military Order of Malta who are members of the American Association shall be known as Councillors and shall constitute the Board of Councillors of the American Association (the "Board of Councillors" or "Board"). The Board of Councillors shall have general charge and supervision of the affairs and activities of the American Association and shall discharge its responsibilities in such manner as best to promote the American Association's religious and charitable purposes.

Section 2.

The Board shall be divided into three classes of eight (8) Councillors each with the term of office of each class ending in successive years. The members of the American Association each year, prior to their Annual Meeting shall elect, subject to the provisions of ARTICLE III, Section 2 and Section 3, Councillors to succeed the class of Councillors whose terms shall be expiring. Such newly elected Councillors shall hold offices for three (3) years and until their successors are duly elected and qualified. Subject to the provisions of ARTICLE III, Section 2 and Section 3, a person elected as a Councillor shall be eligible for re-election to a second successive term as a member of the Board. After two successive terms, a person is not eligible for election or to be appointed pursuant to Article II, Section 3, until such person has not served as a Councillor for a period of three (3) years, after which such person shall again be eligible for election to the Board.

Section 3.

If any vacancy shall occur in the Board of Councillors as a result of the death, resignation, removal or inability of an incumbent Councillor, the remaining members of the Board of Councillors may fill such vacancy, except as limited under Article II, section 2, until the next election, at which time members shall elect a person to serve the remaining term, if any, of the incumbent Councillor in accordance with the elections provisions herein. A majority vote of the remaining board (i.e., more than 50% affirmative votes) at a meeting where a quorum is present shall be necessary to elect a candidate to fill such vacancy. Notice of a Special Meeting called for such purpose shall be given to each member of the Board at least ten (10) days prior to such meeting.

Section 4.

The Nominating Committee to be formed as hereinafter provided shall nominate qualified persons as candidates for election to serve as Councillors. On or before May 15th of the calendar year, members may submit names of potential candidates to the Nominating Committee for its consideration.

The Nominating Committee shall consult with an Advisory Committee of three (3) Area Chairpersons concerning the candidates to be nominated for election to serve on the Board of Councillors. The members of the Advisory Committee shall be elected by a plurality vote of all Area Chairpersons, provided there is a geographic distribution of the three Area Chairpersons elected to the Advisory Committee. Members of the Nominating Committee are not eligible to serve on the Advisory Committee. The members of the advisory committee may not run for election.

The views of the members of the Advisory Committee shall be given due consideration but they shall not participate in the vote of the Nominating Committee on the candidates to be nominated. The vote of the Nominating Committee shall remain confidential.

The procedure for the nomination and election of Councillors shall be as set forth hereafter.

On or before September 10th, the Nominating Committee shall submit to the Board of Councillors their recommendations of at least ten members to be nominated for the election for the Board of Councillors for their approval or disapproval. The Nominating Committee shall notify the Secretary of the Board-approved list of the qualified persons to be nominated as candidates to serve as Councillors.

On or before September 15th, the Secretary shall submit the names of such candidates to all members of the Association. Additional candidates for election as Councillors may also be nominated on or before September 30th, provided that such nominees shall have been proposed as additional candidates to the Secretary by not fewer than twenty-five (25) members. The Secretary shall cause the name of such additional candidates to be included in the ballot to be sent to all members on or before October 15th along with the names of those candidates who have been nominated by the Nominating Committee and approved by the Board of Councillors. Voting shall be by mail, by hand delivery to the Association office or other process, if such process is approved by the Board of Councillors. The election and the

tallying of ballots shall be under the supervision of the Secretary. The results of the vote for Councillors shall be announced at the Annual Meeting of the members and written notice given to members promptly thereafter.

Section 5.

Meetings of the Board shall be held upon the call of the President or upon the written request of 10% of the Board delivered to the President or Secretary of the Association. Meetings of the Board shall require at least fifteen days written notice.

Section 6.

A quorum of the Board of Councillors shall consist of an absolute majority of the Councillors (i.e., thirteen (13) Councillors) present in person at a meeting called upon proper notice to all of the Councillors. Except as otherwise required by law or these By-Laws, the act of a majority of the Councillors present at a meeting, if a quorum is then present, shall be the act of the Board.

ARTICLE III

OFFICERS

Section 1.

Subject to ratification by the Sovereign Council, the officers of the American Association shall be the President, the Chancellor, the Secretary, the Treasurer, the Hospitaller, the Vice Hospitaller, the Principal Chaplain, and the Assistant Principal Chaplain. With the exception of the Principal Chaplain the Assistant Principal Chaplain and the President, the officers shall be elected from among the Councillor members of the Board by the Board at its first meeting of the calendar year following the election by the affirmative vote of a majority of the entire Board (i.e., thirteen (13) votes). Each officer other than the President must have been a member in good standing for not less than five (5) years and shall be elected for a term of three (3) years or until the expiration of his term as a Councillor, whichever occurs first and may serve for a maximum of two (2) successive terms of three (3) years each, excluding any service to fill a vacancy during a partial term. The President shall be elected to serve for a term of three (3) years and must have been a member in good standing for eight (8) years. The President may serve for two (2) successive three (3) year terms. After an absence of at least three years, a member is eligible for election as a Councillor or as an officer.

Section 2.

In a year during which the term of the President shall expire, the Nominating Committee to be formed as hereinafter provided in Article IV, Section 2, shall nominate qualified persons as candidates for election to serve as President. On or before May 15th of the calendar year, members may submit names of potential candidates to the Nominating Committee for its consideration.

The Nominating Committee shall consult with the same Advisory Committee of three (3) Area Chairpersons formed to advise the Nominating Committee regarding Councillor nominations (Article II, Section 4) concerning the candidates to be nominated for election to serve as President. The views of the members of the Advisory Committee shall be given due consideration but they shall not participate in the vote of the Nominating Committee on the candidates to be nominated. The vote of the Nominating Committee shall remain confidential.

The procedure for the nomination and election of President shall be as set forth hereafter.

On or before September 10th, the Nominating Committee shall submit to the Board of Councillors, their recommendations of not more than three qualified persons to be nominated as candidates to serve as President for the Board's approval or disapproval. The Nominating Committee shall notify the Secretary of the Board-approved list of the qualified persons to be nominated as candidates to serve as President.

Additional candidates for election as President may also be nominated on or before September 30th, provided that such nominees shall have been proposed as additional candidates to the Secretary by not fewer than one hundred (100) members. The Secretary shall cause the name of such additional candidates for President to be included in the ballot to be sent to all members on or before October 15th along with the names of those candidates who have been nominated by the Nominating Committee and approved by the Board of Councillors.

Voting shall be by mail; by hand delivery to the American Association office or other process, if such process is approved by the Board of Councillors. The election and the tallying of ballots shall be under the supervision of the Secretary. The candidate receiving the plurality of the votes cast shall be elected. The results of the vote for President shall be announced at the Annual Meeting of the members and written notice given to members promptly thereafter.

Section 3.

The Principal Chaplain of the Association shall be a Chaplain of the Order. He shall be recommended by the Board for a term of five (5) years to the Prelate of the Order who has final authority to approve the appointment. The Principal Chaplain can be re-appointed for successive terms without limitation. The Principal Chaplain shall be an *ex officio* member of the Board without vote.

Section 4.

Upon the nomination by the President, after consultation with the Principal Chaplain, the Board shall elect an Assistant Principal Chaplain of the Association. The Assistant Principal Chaplain shall be a Chaplain of the Order and serve for a term of five (5) years and can be reelected for successive terms without limitation. The Assistant Principal Chaplain shall be an *ex officio* member of the Board without vote.

Section 5.

The President shall be the Chief Executive officer of the American Association and shall preside at all meetings of the American Association as well as all meetings of the Board of Councillors and the Executive Committee. The President shall be an *ex officio* member of all committees established by the Board except for the Audit Committee and the Nominating Committee. All other officers, committees established by the Board and all Area Chairpersons shall be directly responsible to the President. The President shall perform such other duties as the Board of Councillors or the Executive Committee shall direct.

Section 6.

The Chancellor shall be the Senior officer of the American Association following the President and shall be an *ex officio* member of all committees established by the Board except for the Audit Committee and the Nominating Committee. With the approval of the Sovereign Council, the Chancellor shall fill the office of the President whenever a vacancy occurs and shall have the power thereof as Acting President until a duly elected President assumes such office. In the event of the temporary inability of the President to serve, the Chancellor shall become the Acting President and shall have the powers and perform all the duties of the office of the President until such time as the President resumes such role and notifies the Chancellor and all Councillors of resumption of the office of the President. In the event the Chancellor does not succeed to the office of Acting President or assume the temporary duties of the office of the President, the office of the Acting President shall be assumed in order of priority by the Treasurer, Secretary, Hospitaller or Vice-Hospitaller until such time as the Membership elects a President. The Chancellor shall also undertake such other duties as are assigned by the Board, the Executive Committee, or the President.

Section 7.

The Secretary of the American Association shall attend all meetings of the American Association, the Board of Councillors, and the Executive Committee of the American Association. The Secretary shall act as clerk thereof and shall cause a record of all the proceedings of such meetings to be kept for that purpose. The Secretary shall cause notice to be given of all meetings of the Board of Councillors, Executive Committee of the Board, and meetings of the membership of the American Association, stating the time, place and purpose thereof. The Secretary shall perform such other duties as shall be assigned by the Board of Councillors, the Executive Committee, or the President.

Section 8.

The Treasurer shall be the custodian of all monies, securities of property received by and for the American Association and to be kept in the name of the American Association. All such assets shall be deposited in a bank investment account or other depository designated and approved by the Board of Councillors or the Executive Committee and shall be held for the benefit of the American Association, subject to the approval and direction of the American Association payable in accordance with Sections 1, 2 and 3 of ARTICLE VI of these By-Laws, as well as all other donations to the American Association. The Treasurer is authorized to invest such funds as are not needed for immediate disbursement in such accounts and investments as may be funds of the American Association, except upon written authorization from the President or the Chancellor of the American Association. The Treasurer shall attach all such directives to checks as vouchers, and shall submit to the Board of Councillors at its Annual Meeting an annual report in writing showing the financial condition of the American Association. The Treasurer shall arrange for insurance coverage, including officers and director liability insurance, at the expense of the American Association and in such amount and with such content as the Board or Executive Committee shall deem appropriate.

Section 9.

The Hospitaller shall coordinate the works of pastoral and social assistance of the American Association.

Section 10.

The Board of Councillors has established regional Areas of the American Association. Upon the adoption of the provisions of this section by the members of the Association, Area Chairpersons will be appointed by the President, subject to approval by the Board of Councillors.

Prior to the expiration of an Area Chairperson's term, or when a vacancy otherwise occurs, the President will invite area members to suggest, in writing, not more than three (3) persons for the President's consideration for appointment to serve as Area Chairperson. After consideration of the persons suggested and such other area members deemed suitable and qualified for service as Area Chairperson, the President will appoint a Chairperson for a three (3) year term, subject to approval by the Board of Councillors. The appointed Chairperson is eligible to be considered for reappointment for not more than one (1) additional three (3) year term.

The Area Chairperson will appoint an area member to serve as Area Hospitaller, subject to approval by the Board of Councillors. The Area Chairperson reports to the President and is responsible for carrying out the plans of the Association as they relate to the Areas and for promoting broad interface between the Areas and the President, the Chancellor, the Hospitaller, and other Area Chairpersons. The

Area Chairpersons have the responsibility to further the charitable, religious, and beneficent works of the American Association within their respective regional areas, and to assist the President and the Board of Councillors in the effective administration of the Association.

ARTICLE IV

COMMITTEES

Section 1.

Executive Committee

The Executive Committee shall consist of the President, the Chancellor, the Hospitaller, the Treasurer, the Secretary and five (5) other members of the Board, who shall be elected annually by the Board. The Executive Committee shall advise the President and act when necessary on behalf of the Board on matters authorized by the Board and when circumstances prevent the Board from acting. All actions of the Executive Committee shall be subject to oversight by the Board. The Executive Committee shall meet at the call of the President on not less than two (2) days notice.

Section 2.

Standing Committees

The following committees shall be Standing Committees of the Board of Councillors, which shall be elected for a term of one year by the Board upon the nomination of the President, in consultation with the Executive Committee:

Admissions Committee

The Admissions Committee of five (5) Councillors shall be responsible for overseeing the admissions process and proposing to the Board candidates for admission to the Order. All materials reviewed and all deliberations of the Admissions Committee shall be maintained in confidence.

Nominating Committee

The Nominating Committee of five (5) Councillors shall nominate members for election to the Board of Councillors and President. The President and Chancellor of the Association shall not serve on the Nominating Committee. Members of the Nominating Committee may not run for election to the Board or for President.

Audit Committee

The Audit Committee of three (3) Councillors shall recommend to the Board an independent accounting firm for the annual examination of the Associations financial statements and internal controls. The Committee shall review the audit results and findings with the Board. Officers of the Association may not serve on the Audit Committee.

Disciplinary Committee

Three (3) Councillors shall be appointed as the Disciplinary Committee, which shall constitute the "Permanent Commission" required by Section 122 of the Code of the Order.

Operating Committees

The President, in consultation with the Executive Committee, may appoint one or more committees for the good and welfare of the Association. Both Board and non Board members may serve on such committees.

ARTICLE V

MEMBERSHIP

Section 1.

The Grand Master, with the deliberative vote of the Sovereign Council, has the sole and exclusive authority to admit members of the Order.

Candidates for membership are proposed to the Grand Master by the President of the Association. In recommending candidates for membership the President shall do so with the deliberate vote of the Board of Councillors based on the report and recommendation of the Admissions Committee. The procedures and requirements adopted by the Admissions Committee are subject to approval by the Board of Councillors.

Section 2.

A new member must be proposed and sponsored by a Knight or Dame, who is a member of the Association.

Section 3.

Candidates for admission must provide proof of profession of the Catholic Religion, and meet the standards and provide the documentation and the endorsements of their candidacy required by Article 113 of the Code of the Order and the Admissions Committee.

Section 4.

The reception of Knights and Dames must be preceded by a preparatory period of one year; unless this requirement is dispensed in individual cases by the Sovereign Council upon the recommendation of the Board of Councillors.

Section 5.

Members of the Second and Third Class whose conduct is less than exemplary are subject to the disciplinary procedures and sanctions as provided in Chapter VI of the Code of the Order.

ARTICLE VI

CONTRIBUTIONS

Section 1.

Each member of the American Association upon becoming a Knight or a Dame of the Sovereign Military Order of Malta shall be expected to contribute for charitable purposes an amount to be established in the discretion of the Board of Councillors, and which shall be remitted by the member not later than March 31st of each year.

Section 2.

The Board of Councillors or the Executive Committee may impose, in addition thereto, such assessments as deemed necessary for the functioning of the American Association and the conduct of its activities.

Section 3.

If a member is not in a position to make contributions as provided by the By-Laws in the judgment of the President, the President or his designee may exempt such member for a stated period or perpetually from the payment thereof, leaving the right to such member, however, to make contributions whenever convenient to do so and in whatever amount the member may decide.

Section 4.

Only members who are current in their contributions, pursuant to Sections 1, 2, and 3 of this ARTICLE VI, or exempt pursuant to Section 4 hereof, shall be eligible to vote in any election or to serve as a Councillor, officer, Area Chairpersons or any other position in a regional area established by the Board of Councillors.

ARTICLE VII

MISCELLANEOUS

Section 1.

The Board of Councillors may recommend to the Sovereign Council persons, whether Roman Catholic or non-Catholic, on whom the Grand Magistry may confer Crosses of Merit of the Sovereign Military Order of Malta or such other honors as deemed appropriate, but such Crosses or honors shall not constitute membership in the Sovereign Military Order of Malta.

Section 2.

The fiscal year of the American Association shall be the calendar year.

Section 3.

Whenever a masculine pronoun appears in these By-Laws, it shall be deemed to include the feminine as well.

Section 4.

In the event there is a conflict between these Bylaws, or their interpretation, and the Constitution and Code of the Order, the provisions of the Constitution and Code of the Order, as interpreted by the Sovereign Council, shall prevail.

ARTICLE VIII

AMENDMENTS

Subject to the approval of the Sovereign Council, these By-Laws may be amended from time to time by a vote of the Members, pursuant to notice, which sets forth the proposed amendment(s) and the reason for the proposal.

ARTICLE IX

DISSOLUTION

Subject to the approval of the Sovereign Council, in the event of the dissolution of the Association, all of the remaining assets and property of the Association, after payment of necessary expenses thereof shall be distributed to the Sovereign Council if it shall qualify under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, or in the event the Sovereign Council shall not so qualify, then such assets and property shall be distributed between and among the other Associations of the Sovereign Order of Malta in the United States, pursuant to an order of the Supreme Court of the State of New York.

ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall, to the fullest extent now or hereafter permitted by and in accordance with applicable law, including, without limitation, Sections 721 through 726 of the Not-for-Profit Corporation Law of the State of New York as in effect from time to time, defend and indemnify any person made, or threatened to be made, a party to any action or proceeding by reason of the fact that he, his testator or intestate was a director, officer, employee or agent of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees. The Association may obtain such insurance as the Board of Councillors shall from time to time determine to protect the Association against losses caused by the fraudulent or dishonest acts of any director, officer, employee or agent of the Association, to reimburse the Association for any obligation incurred pursuant to the preceding sentence of this Article X and to indemnify councillors, officers, employees and agents of the Association under circumstances permitted by law.