

profit, operated on a lodge system with ritualistic form of work, having a representative form of government, and which makes provision for the payment of benefits in accordance with this subtitle, is hereby declared to be a fraternal benefit society.

When used in this subtitle the word "society", unless otherwise indicated, means fraternal benefit society.

303. Lodge System Defined.

A society having a supreme legislative or governing body and subordinate lodges or branches by whatever name known, into which members are elected, initiated or admitted in accordance with its constitution, laws, ritual and rules, which subordinate lodges or branches are required by the laws of the society to hold regular meetings at least once in each month, shall be deemed to be operating on the lodge system.

304. Representative Form of Government Defined.

A society shall be deemed to have a representative form of government when:

(a) It provides in its constitution or laws for a supreme legislative or governing body, composed of representatives elected either by the members or by delegates elected directly or indirectly by the members, together with such other members of such body as may be prescribed by the society's constitution and laws;

(b) The representatives elected constitute a majority in number and have not less than two-thirds of the votes nor less than the votes required to amend its constitution and laws;

(c) The meetings of the supreme legislative or governing body and the election of officers, representatives or delegates are held as often as once in four (4) calendar years;

(d) Each insured member shall be eligible for election to act or serve as a delegate to such meeting;

(e) The society has a board of directors charged with the responsibility for managing its affairs in the interim between meetings of its supreme legislative or governing body, subject to control by such body and having powers and duties delegated to it in the constitution or laws of the society;

(f) Such board of directors is elected by the supreme legislative or governing body, except in case of filling a vacancy in the interim between meetings of such body;

(g) The officers are elected either by the supreme legislative or governing body or by the board of directors; and

(h) The members, officers, representatives or delegates shall not vote by proxy.

305. Subtitle Exclusive; Applicability of Other Laws.

Except as herein provided, societies shall be governed by this subtitle and shall be exempt from all other provisions of the insurance laws of this State, not only in governmental relations with the State, but for every other purpose. No law hereafter enacted shall apply to them, unless they be expressly designated therein.