

**AMENDMENTS TO THE BY-LAWS OF THE
LUSO-AMERICAN LIFE INSURANCE SOCIETY
As Approved by the
Luso-American Life Insurance Society
National Council
at its Meeting of
April 6, 2003**

Article 4. A. Members, Section 3. Luso-American Life Insurance Society National Council, which now reads:

"A regular meeting of the National Council shall be held biennially in April, time and place to be fixed by the Luso-American Life Insurance Society Board."

Be, and the same is, hereby amended to add:

"However, after 2005 a regular meeting of the National Council shall be held triennially in April, time and place to be fixed by the Luso-American Life Insurance Society Board."

Article 4. B. Directors, Section 3. Term, which now reads:

"The Term of office of the elected Directors shall be for six (6) years; one-third up for election every two (2) years at the National Council meeting."

Be, and the same is, hereby amended to add:

"However, after 2005 the Term of office of the elected Directors shall be for six (6) years; one-half up for election every three (3) years at the National Council meeting."

LAL

LUSO-AMERICAN LIFE
INSURANCE SOCIETY

BY-LAWS

ADOPTED OCTOBER 14, 2002

BY-LAWS
OF
LUSO-AMERICAN LIFE INSURANCE SOCIETY
TABLE OF CONTENTS

ARTICLE 1 - NAME

ARTICLE 2 - CORPORATE PURPOSE

ARTICLE 3 - ORGANIZATION

ARTICLE 4 - LUSO-AMERICAN LIFE INSURANCE SOCIETY

A. MEMBERS

SECTION 1 - Qualifications

SECTION 2 - Members Organized into Subordinate Councils and Lodges

SECTION 3 - Lusio-American Life Insurance Society National Council

SECTION 4 - Special Meetings

SECTION 5 - Quorum

SECTION 6 - Delegates to the National Council

(a) Nominating Committee

(b) Number of Delegates

(c) How Elected

(d) Vacancies

(e) Expenses

SECTION 7 - Transferability of Membership

SECTION 8 - Maintenance of Solvency

B. DIRECTORS

SECTION 1 - Duties of Board of Directors

SECTION 2 - Number

SECTION 3 - Term

SECTION 4 - Qualifications

SECTION 5 - Nominating Committee

SECTION 6 - Regular Meetings

SECTION 7 - Special Meetings

SECTION 8 - Notice

SECTION 9 - Quorum

SECTION 10 - Vacancies

SECTION 11 - Trial, Expulsion, and Discipline

SECTION 12 - Advisory Board

C. OFFICERS

SECTION 1 - Officers of the Lusio-American Life Insurance Society

SECTION 2 - Election and Appointment of Officers

SECTION 3 - Duties of the President

SECTION 4 - Duties of the Executive Vice-President

SECTION 5 - Other Principal Officers

ARTICLE 5 - LUSO-AMERICAN FRATERNAL FEDERATION/PORTUGUESE CONTINENTAL UNION

ARTICLE 6 - LUSO-AMERICAN EDUCATION FOUNDATION

ARTICLE 7 - CONDUCT OF MEETINGS

ARTICLE 8 - AMENDMENTS TO BY-LAWS (three sections)

ARTICLE 9 - GENERAL PROVISIONS

SECTION 1 - Indemnification Definitions

SECTION 2 - Indemnification

BY-LAWS
OF
LUSO-AMERICAN LIFE INSURANCE SOCIETY

ARTICLE 1
NAME

The name of this society is Luso-American Life Insurance Society.

ARTICLE 2
CORPORATE PURPOSE

The specific corporate purpose of this fraternal benefit society is to conduct a mutual benefit, non-profit

1. Life Insurance Business; with
2. Subordinate Fraternal Councils and Lodges; to
3. Promote Luso-American cultural, social, educational, and charitable activities of its members, their families, and others.

ARTICLE 3
ORGANIZATION

The Luso-American Life Insurance Society shall have subordinate divisions; namely:

1. Luso-American Fraternal Federation (also referred to as LAL (West) and the Portuguese Continental Union (also referred to as LAL (East) (the intermediate councils and lodges) and subdivisions 20-30 Associates; and youth councils and lodges.
2. Luso-American Education Foundation.

ARTICLE 4
LUSO-AMERICAN LIFE INSURANCE SOCIETY

A. MEMBERS

Section 1. Qualifications. Any Luso-American Life Insurance Society policy insured person is admissible to membership subject to conditions approved by the Board of Directors.

Section 2. Members Organized into Subordinate Fraternal Councils and Lodges. Members shall be organized into local fraternal councils and lodges.

Section 3. Luso-American Life Insurance Society National Council. A regular meeting of the National Council shall be held biennially in April, time and place to be fixed by the Luso-American Life Insurance Society Board. The purpose of the meeting is to receive reports from the officers and elect directors, and duly presented amendments to the By-Laws. The meeting shall be open only to Officers, Directors, Delegates, Alternate-Delegates, Advisory Board, and Past

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

Presidents.

Section 4. Special Meetings. Special meetings of the National Council may be called by either the Board of Directors, or by a written signed request of fifty percent (50%) of the last elected and qualified delegates and filed with the Secretary of the Luso-American Life Insurance Society at least sixty (60) days prior to the date of the meeting. Thereafter, the Secretary shall give all delegates at least twenty (20) days' notice of such special meeting, specifying therein the business to be considered at such meeting.

Section 5. Quorum. Two-thirds of the total authorized delegates shall constitute a quorum to conduct business.

Section 6. Delegates to the National Council

(a) Nominating Committees. The President of Luso-American Life Insurance Society shall appoint nominating committees of nine (9) members to nominate a slate of delegates to be presented at the Luso-American Fraternal Federation and the Portuguese Continental Union annual conventions immediately preceding the next Luso-American Life Insurance Society National Council regular meeting. Thereafter, delegates may be nominated from the floor of the conventions, provided the nomination is sponsored by not less than ten (10) qualified delegates in attendance.

(b) Number of Delegates. There shall be one delegate elected at the annual conventions of the Luso-American Fraternal Federation and the Portuguese Continental Union for each 400 adult benefit members of the Luso-American Fraternal Federation and the Portuguese Continental Union as shown by the records of the Society on December 31 of the preceding year. In addition, the number of alternate-delegates shall be no more than one-third (1/3) of the authorized number of delegates per fraternal division.

(c) How Elected. Delegates and alternate-delegates shall be elected at the annual conventions of the Luso-American Fraternal Federation and the Portuguese Continental Union immediately preceding the next Luso-American Life Insurance Society National Council meeting. Their names shall be certified to the Secretary of the Luso-American Life Insurance Society at the Home Office at least ninety (90) days prior to the opening of the National Council meeting, and such certification shall constitute the official list of delegates and alternate-delegates. The Officers and Directors shall be "ex-officio" delegates to the National Council, each entitled to one vote. The members of the Advisory Board and all Past Presidents of the Luso-American Life Insurance Society shall be entitled to attend the National Council meeting, with the privilege of the floor, but no right to vote, unless duly elected as delegates.

(d) Vacancies. Vacancies created by the inability of delegates to attend the National Council meeting shall be filled by the alternates (of the respective annual conventions' delegations) in the order of selection by lot.

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

(e) Expenses. The expenses of the delegates to the National Council meeting shall be determined and fixed by order of the Board of Directors.

Section 7. Transferability of Membership. The Board of Directors of Luso-American Life Insurance Society may establish rules for transfer of any membership.

Section 8. Maintenance of Solvency. In the event of impairment of the reserves of the Society, an apportionment shall be charged against the outstanding benefit certificates on the basis of the equitable proportion of such deficiency as ascertained by the Board of Directors of the Society, and if payment be not made it shall stand as an indebtedness against the certificate and draw interest not to exceed five (5) per cent per annum compounded annually. There shall be no personal liability for such apportionment.

B. DIRECTORS

Section 1. Duties of Board of Directors

The Board of Directors shall manage and control the affairs and business of the Society by setting policy and making the rules and regulations consistent with the By-Laws and the laws of the State of California.

Section 2. Number

The Board of Directors shall be composed of thirteen (13) members: seven (7) from LAL (West) and six (6) from LAL (East) until the 2003 National Council meeting, after which the Board of Directors shall be elected at large with the condition that neither LAL (West) nor LAL (East) shall have fewer than five (5) members in a Board of thirteen (13) members nor fewer than one-third (1/3) of the members in any future Board of Directors (the exact number to be fixed by appropriate resolution by the Board of Directors, preceding the election). The composition of the Board includes the Executive Vice-President/Chief Executive Officer by virtue of that position.

Section 3. Term

The term of office of the elected Directors shall be for six (6) years; one-third up for election every two (2) years at the National Council meeting.

Section 4. Qualifications.

(a) Any adult benefit member may be a Director, provided he or she is a voting member at the National Council meeting.

(b) No member shall serve as a Director for more than two

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

consecutive terms of office, except the Executive Vice-President/CEO.

(c) Members shall not be eligible for election to the Board if they shall have passed their seventieth (70th) birthday on the date that their term of office would begin.

(d) No employee of the Society shall be eligible for election to the Board until the expiration of two years from the date of termination of employment.

(e) No person who is an officer or director of the Luso-American Life Insurance Society will be paid any commission, fee, or other compensation for writing any policy or contract of insurance with the Society while he/she is an Officer or Director, nor shall any Officer or Director hold a contract as an agent or general agent during his/her term of office as an Officer.

(f) No Officer or Director of the Luso-American Life Insurance Society, or spouse of such person, shall serve as an Officer or Director of any other organization of the same character and engaged in the same type of business while he/she or his/her spouse is an Officer of the Society.

Section 5. Nominating Committee.

The President of the Luso-American Life Insurance Society shall appoint a nominating committee composed of nine (9) members. The nominating committee shall include all Directors of the Luso-American Life Insurance Society not up for election. They shall select a slate of nominees for Directors to be elected who shall be presented to the National Council meeting. Thereafter, nominees for Directors, who must be present, may be made from the floor; provided the nomination is sponsored by no fewer than ten (10) qualified delegates in attendance at the meeting.

Section 6. Regular Meetings.

Regular meetings of the Board of Directors shall be as determined by the Board of Directors, and shall also meet after the Luso-American Life Insurance Society National Council meeting to select a President, Chairman, and Vice-Chairman from among the members of the Board.

Section 7. Special Meetings.

Special meetings of the Board of Directors shall be held as determined by the Board, or on call of the Chairman of the Board, or on written request signed by any four (4) Directors, and filed with the Secretary.

Section 8. Notice.

The Board of Directors shall determine the requirements for notice of all meetings of the Board of Directors.

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

Section 9. Quorum.

Two-thirds of the total authorized Directors shall constitute a quorum to conduct business.

Section 10. Vacancies.

Vacancies on the Board of Directors and any office may be filled by the Board of Directors for the unexpired term. Directors and Officers shall hold their respective offices until their successors have been elected and qualified for the discharge of their duties.

Section 11. Trial, Expulsion, and Discipline.

The Board of Directors shall establish such laws, rules, and regulations, as it may deem necessary, for the trial, expulsion, and discipline of Officers and members.

Section 12. Advisory Board.

There shall be an Advisory Board consisting of not more than eleven (11) members, the exact number to be fixed by resolution adopted by the Board of Directors following each National Council meeting. The Advisory Board shall serve in office until the National Council meeting following their appointment, and shall meet with the Board of Directors at its call, in an advisory capacity. Such meetings shall be held as the Board of Directors may deem necessary.

C. OFFICERS.

Section 1. Officers of Luso-American Life Insurance Society.

The Luso-American Life Insurance Society shall have the following Officers: President, Executive Vice-President, Secretary, and Treasurer. The Offices of Secretary and Treasurer may be held by the same person.

Section 2. Election and Appointment of Officers.

The Board of Directors of the Luso-American Life Insurance Society shall elect all Officers of the Luso-American Life Insurance Society for a term to be determined by the Board of Directors with the exception that the position of President shall alternate between LAL (West) and LAL (East) Board members after each regular meeting of the National Council. The Board of Directors may also appoint such other ministerial officers to serve at the pleasure of the Board of Directors as may be required for the normal and efficient conduct of the business affairs of the corporation. Otherwise, no person shall hold more than one National or State position, whether elected or appointed, simultaneously.

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

Section 3. Duties of the President.

The President of the Luso-American Life Insurance Society shall represent the Society as its President at public functions and ceremonies; preside at the Luso-American Life Insurance Society National Council meetings; and the annual state of the Society meeting in December of each year if one is held; appoint a nominating committee to nominate a slate of Directors up for election, prior to the meeting of the National Council; appoint committees, including a committee to audit the mileage and per diem, the credential committee, the resolutions committee, such other committees as he/she may deem necessary for the transaction of business of the Luso-American Life Insurance Society National Council; be available for consultation with the Executive Vice-President on any matters that need be brought to his/her attention for his/her advice; serve on the Board of Directors as a voting member; and perform any other duties and responsibilities authorized by the Board of Directors.

Section 4. Duties of the Executive Vice-President.

The Executive Vice-President shall be the Chief Executive Officer of the Society and General Manager of business affairs, and shall be responsible for implementing and supervising the policies and programs of the Board of Directors.

Section 5. Other Principal Officers.

All other principal Officers of the Society shall perform the duties of the respective offices customarily assigned to such offices.

ARTICLE 5

LUSO-AMERICAN FRATERNAL FEDERATION/PORTUGUESE CONTINENTAL UNION

The Luso-American Fraternal Federation and the Portuguese Continental Union are subordinate divisions of the Luso-American Life Insurance Society specifically established and authorized to govern all fraternal activities with their own similar By-Laws. The By-Laws of the Luso-American Fraternal Federation and the Portuguese Continental Union, however, are subject to the approval of the Board of Directors of the Luso-American Life Insurance Society. Likewise, all activities and acts of the Luso-American Fraternal Federation and the Portuguese Continental Union, their Boards of Directors, Officers, and members, in the scope of their fraternal activities, are subject to ratification by the Luso-American Life Insurance Society Board of Directors.

ARTICLE 6

LUSO-AMERICAN EDUCATION FOUNDATION

The Luso-American Education Foundation is a subordinate division of the Luso-American Life Insurance Society specifically established and authorized to govern all promotion of Luso-American educational and charitable activities of its members with their own separate California non-profit, public benefit corporation

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

and By-Laws.

ARTICLE 7
CONDUCT OF MEETINGS

Unless otherwise provided in the Articles of Incorporation or the By-Laws of this Society, Robert's Rules of Order shall govern all proceedings of all meetings. No vote by proxy is authorized in any meeting of members or Directors.

ARTICLE 8
AMENDMENTS TO BY-LAWS

Section 1. These By-Laws may be amended by not less than two-thirds vote of delegates present at any regular or special meeting of the National Council; or, by an affirmative vote of not less than three-fourths of all members of the Board of Directors at a regular or special meeting of the Board of Directors, provided that for any changes or amendments to the conditions of the Agreement of Merger between Luso-American Life Insurance Society and the Portuguese Continental Union of the United States of America (effective January 1, 2002), the number of officers and delegates of either LAL (East) and LAL (West) with the right to vote at the National Council, should not exceed two thirds of the votes present; if however, the number of members of either LAL (West) or LAL (East) with the right to vote at a National Council meeting exceeds two thirds of the total votes present, the members of the majority Division will each cast a fraction of a vote as shall make their aggregate vote no more than two thirds of the vote of the members present and entitled to vote.

Section 2. Any proposed amendment to the By-Laws must be signed by at least ten (10) certified delegates to the National Council meeting and filed with the Secretary of the Society at the Home Office at least sixty (60) days prior to such meeting.

Section 3. Any member of the Board of Directors must file a proposed amendment with the Secretary of the Society at the Home Office twenty (20) days prior to a regular or special meeting of the Board of Directors in order to have it considered by the Board of Directors.

ARTICLE 9
GENERAL PROVISIONS

Section 1. Indemnification Definitions.

For the purpose of this article, "agent" means any person who is or was a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation; "proceeding" meaning any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorney's fees and

BY-LAWS LUSO-AMERICAN LIFE INSURANCE SOCIETY

expenses establishing a right to indemnification under this Article.

Section 2. Indemnification.

The corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgements, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding to the maximum extent permitted by law, including the advance of expenses and the purchase of insurance.