**Section 1710.10 Hiring and Discharge of Chief Executive Officer**

A domestic fraternal benefit society that provides any of the benefits specified in Section 297.1 of the Illinois Insurance Code (Code) [215 ILCS 5/297.1] must be governed by a board of directors and managed by a qualified officer subject to the following requirements:

a) The laws of a society must provide that the board of directors shall have the power and perform the duties ordinarily possessed and exercised by a board of directors under the Code, including, but not limited to, the authority and responsibility for the hiring and the discharge of a president, chief executive officer, or an equivalent position, except that a society that elects its president, chief executive officer, or equivalent position pursuant to its by-laws, after January 1, 2015, may continue to do so by first screening candidates through a nomination committee of directors if the candidates chosen by the committee satisfy the qualifications set forth in this Section.

b) Any person serving as president, as chief executive officer, or in an equivalent position of a domestic fraternal benefit society must not have been convicted of a felony, must have at least 5 years insurance industry or insurance regulatory experience, and shall possess two or more of the following qualifications:

1) working knowledge of financial accounting;

2) bachelor's degree from an accredited university or equivalent combination of education and financial industry experience;

3) prior management experience; or

4) demonstrated superior judgment, analytical ability, communication skills and leadership.