

**Amended and restated bylaws of**  
**De Smet Farm Mutual Insurance Company of South Dakota**  
**(as amended June 25, 2024)**

**ARTICLE I**

**PURPOSE**

The purpose of De Smet Farm Mutual Insurance Company of South Dakota (“the Company”) is the business of insurance in accordance with the charter of the Company and in accordance with the provisions of applicable law. This purpose shall include the issuance of such policies of insurance and ceding or accepting contracts of reinsurance as it may be lawful for this Company to issue and as the Board of Directors may, from time to time, determine.

**ARTICLE II**

**MEMBERSHIP**

Any individual or entity having insurance with the Company, through the purchase of a policy of insurance and payment of a premium to the Company, shall be a member of the Company so long as such insurance remains in force. Each member shall have such rights as are prescribed by applicable law for members of state farm mutual insurance companies, by the charter of the Company, these bylaws, and any policy of insurance issued by the Company and held by the member.

**ARTICLE III**

**MEETINGS OF MEMBERS**

**Section 1 – Annual Meeting**

The annual meeting of the members shall be held on the third Tuesday of June, at a time and at a geographic location within or outside of the State of South Dakota or by means of the Internet or other electronic communication technology as may be from time to time fixed or determined by the Board of Directors, and need not be held at a particular geographic location so long as the meeting is held in a fashion pursuant to which the members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members and pose questions to the Directors. For the avoidance of doubt, the annual meeting shall not be required to be held by means of the Internet or any other electronic communication technology, and the Board of Directors, in its sole discretion, shall make the determination as to whether the annual meeting will be held at a geographic location or by means of the Internet or other electronic communication technology. The annual meeting shall be held for the election of Directors and transaction of such other business as may come before the meeting. The Board may

at any regularly scheduled meeting, set a different date for the next scheduled annual meeting of the members by resolution, for reasons set forth in the resolution.

### **Section 2 – Special Meetings**

Special meetings of the members shall be held whenever called by the Chairperson of the Board, the Board, the President, or twenty percent (20%) or more of the members. A call for a special meeting must specifically set forth the purpose of the meeting. No matters except those set forth in the notice of the special meeting may be acted upon at any special meeting of the members. Special meetings of the members shall be held on such dates and at such times and places as fixed by the Board or specified in the notice of meeting.

### **Section 3 – Notice of Meetings**

Notice of all meetings of the members shall be given in accordance with applicable law and Article IX of these bylaws.

### **Section 4 – Quorum**

Fifteen (15) members of the Company, present in person shall constitute a quorum for all purposes at any annual or special meeting of the members of the Company.

### **Section 5 – Voting**

Each member shall be entitled to one (1) vote on each question voted at any membership meeting, regardless of the number of policies held by the member. Voting by proxy shall not be permitted.

### **Section 6 – Votes Required**

Except as otherwise authorized or required by applicable law, the Company's charter, or these bylaws, the affirmative vote of a majority of the members present and voting at a meeting at which a quorum is present shall be necessary for authorization or taking any actions by the members. For the election of Directors, the candidates receiving the highest number of votes shall be elected, and cumulative voting shall be permitted.

## **ARTICLE IV**

### **BOARD OF DIRECTORS**

#### **Section 1 – Size of Board**

The management of the affairs of the Company shall be under the direction of the Board of Directors, consisting of nine (9) Directors.

## **Section 2 – Election**

Directors shall be elected by the members and shall serve for a term of three (3) years, and until their successors are duly elected and qualified or until earlier resignation, removal, or death. If the number of Directors is increased or decreased, a Director may be elected for a term less than three (3) years so that approximately one-third of the Directors are elected each year. Election of Directors shall be held by ballot, under the inspection and supervision of three (3) members of the Company who shall be appointed by the Chairperson of the Board to act as an election board.

## **Section 3 – Vacancies**

Vacancies on the Board, including, but not limited to those caused by resignation, disability, or death of a Director, or those vacancies resulting from an increase in the number of Directors, may be filled by a majority vote of the remaining members of the Board. Any Director appointed to fill a vacancy resulting from resignation, removal, or death shall serve the balance of the unexpired term. Any Director appointed to fill a vacancy resulting from an increase in the number of Directors shall serve for a term designated by the Board so that approximately one-third of the Directors are elected each year. In appointing a person to fill any vacancy on the Board, the Board may make the appointment contingent and effective on the occurrence of a future event provided such future event is specified in the action by which the Board makes the appointment.

## **Section 4 – Eligibility**

(a) **General.** In order to be eligible to be voted upon for the office of Director at an annual meeting of members, a person must file in writing with the Company at least thirty (30) days prior to the annual meeting evidence of willingness to serve and acceptance of the trust if elected. A similar statement shall be filed at least two (2) days prior to appointment by the Board of any person to fill a vacancy. The Board may authorize appointment of a nominating committee to review, consider, and recommend candidates to be presented as Board-endorsed candidates for election at the annual meeting of the members. However, the Board shall retain final authority to determine the candidates to be presented as Board-endorsed candidates at the annual meeting of the members. No individual shall serve as a Director of the Company unless that individual is a member of the Company.

(b) **Eligibility Limitations.** No individual may serve more than five (5) full three (3) year terms as an outside Director. This limitation does not apply to inside Directors. Notwithstanding the foregoing, if a Director elected to serve as Chairperson of the Board of Directors (i) would not be eligible for re-election as a Director upon expiration of his or her then current term based upon the foregoing eligibility limitations and (ii) would have, upon the expiration of such term, less than a total of five (5) years of service as Chairperson of the Board from the date on which he or she was initially appointed as Chairperson, then the Board, in its sole discretion, may waive the foregoing eligibility limitations to the extent necessary to permit such individual to be re-elected for one or more additional terms to permit such individual, if re-elected as a Director, to serve as Chairperson

for up to a total of 5 years or such lesser period as determined by the Board (which 5 year or such lesser period shall include, for the avoidance of doubt, the period in which such individual theretofore served as Chairperson).

#### **Section 5 – Organization**

The Board shall reorganize immediately following the annual meeting of the members and shall elect a Chief Executive Officer, President and Vice President, each of whom shall be a member of the Board. The Board shall also elect a Secretary and Treasurer, who need not be members of the Board. The Board may also elect a Chairperson and a Vice Chairperson, each of whom shall be a member of the Board. The Board may also elect a Chief Operating Officer, one or more Vice Presidents, and one or more Assistant Secretaries and Assistant Treasurers, who need not be members of the Board. All such officers shall serve for one (1) year and until their successors have been duly elected and qualified or until earlier resignation, removal, or death. The Board, in its discretion, may leave vacant for such period of time as it may deem appropriate any office provided for in these Bylaws, provided the Company has a President, Vice President, a Secretary and a Treasurer, or persons who shall act as such, regardless of the name or title by which they may be designated.

#### **Section 6 – Appointments**

The Board shall have authority to appoint or authorize the appointment of, and to designate the powers of, such additional officers, committees, or advisory boards as it may deem necessary, except as otherwise provided by applicable law or these bylaws. All such officers, committees, and advisory boards shall serve as determined by the Board and shall be subject to the control and direction of the Board. All committees and advisory boards appointed by the Board may act by a majority of all members of the committee or advisory board. For the avoidance of doubt, an ex-officio member of any committee shall have voting rights.

#### **Section 7 – Meetings**

The Board shall hold a meeting on the day of the annual meeting of the members, and such other meetings as decided annually by the Board. Special meetings of the Board shall be held at such other times as requested by (i) the Chairperson of the Board, (ii) the Executive Committee, (iii) any five (5) Directors, or (iv) the President. Written notice of all meetings of the Board shall be given at least five (5) days before the day of the meeting, and in accordance with applicable law and Article IX of these bylaws. Board meetings other than the annual meeting shall be held on such dates and at such times and places as fixed by the Board or specified in the notice of meeting.

#### **Section 8 – Quorum and Voting**

A majority of those Directors holding office at the time of a meeting shall constitute a quorum. The affirmative votes of the majority of those Directors attending any lawful meeting of the Board shall bind the Company, provided a quorum is present at the meeting.

### **Section 9 – Remuneration and Dividends**

The Board shall establish and fix all salaries, wages, and remuneration for Directors and officers; shall establish agent commissions and policy rates; shall determine and declare all dividends; and shall approve operating and capital budgets. The Board may delegate to the President responsibility to fix salaries and wages of employees, including all operating officers except the President, to establish policy rates, and to fix agent commissions.

### **Section 10 – Contracts of Insurance**

The Board shall determine the type and character of all policies of insurance issued by the Company and shall determine, from time to time, the method and conditions under which insurance policies of the Company shall be sold.

### **Section 11 – Safekeeping of Company Funds and Investments**

The Board shall approve the banks, trust companies, or other financial institutions in which un-invested funds of the Company shall be deposited; shall designate the officers and employees who may make withdrawals from such deposits; and shall approve advisors that provide investment services to the Company.

### **Section 12 – General Powers**

In addition to the specific powers and authorities conferred upon them by these bylaws, the Board may exercise all powers of the Company, except as otherwise provided by applicable law, the Company's charter, or these bylaws.

## **ARTICLE V**

### **EXECUTIVE COMMITTEE**

#### **Section 1 – Members**

There is hereby created an Executive Committee consisting of three or more Directors of the Company, the number of members to be fixed from time to time by the Board, and the members to be elected by the Board annually.

#### **Section 2 – Powers**

During the time between meetings of the Board, the Executive Committee may exercise the powers of the Directors in the management of the affairs of the Company except as restricted by applicable law, and shall report all actions taken by it to the Board at the next meeting of the Board after the taking of such action. All actions of the Executive Committee shall be subject to ratification or change by the Board thereafter; provided, however, that no rights of third persons created by lawful action of the Executive Committee shall be affected by any such revision.

### **Section 3 – Meetings, Quorum, and Voting**

Executive Committee meetings shall be held as the business of the Company may require. The Executive Committee shall hold meetings at such times as fixed by the Executive Committee or as the Chairperson or President may request. A majority of all members of the Committee shall constitute a quorum at any duly called meeting of the Committee. The Committee may act by the affirmative vote of a majority of its members.

### **Section 4 – Notice of Meetings**

Written notice of meetings of the Executive Committee shall be given at least two (2) days before the day of the meeting, and in accordance with Article IX of these bylaws. Executive Committee meetings shall be held on such dates and at such times and places as fixed by the Executive Committee or specified in the notice of meeting.

## **ARTICLE VI**

### **DUTIES OF OFFICERS**

#### **Section 1 – Chairperson of the Board**

The Chairperson of the Board shall (i) preside at all meetings of the members of the Company, the Board, and the Executive Committee; (ii) be, ex officio, a member of all standing committees; and (iii) perform such other duties as the Board may prescribe.

#### **Section 2 – Vice Chairperson**

The Vice Chairperson shall perform all the duties of the Chairperson of the Board in case of the latter's absence or inability to serve and shall have such other duties as may be assigned by the Board.

#### **Section 3 – Chief Executive Officer**

The Chief Executive Officer shall (i) be responsible for the general and active management of the business of the Company and for the implementation of decisions of the Board; (ii) have authority to give directions to all other officers, agents, and employees of the Company; (iii) be, ex officio, a member of all standing committees so long as (and only so long as) the Chief Executive Officer also is a Director of the Company, except that the Chief Executive Officer shall not be a member

of any committee that is required by applicable law to consist of only independent Directors or that the Board otherwise determines shall consist of only independent Directors; and (iv) perform such other duties as the Board may prescribe. The Chief Executive Officer shall be appointed by the Board, and may be the President or another individual.

#### **Section 4 – Chief Operating Officer**

The Chief Operating Officer shall (i) be responsible for supervision and control over day-to-day operations of the Company, (ii) perform all duties incident to the office of Chief Operating Officer; and (iii) perform such other duties as the Board may prescribe. The Chief Operating Officer shall be appointed by the Board, or by the President or Chief Executive Officer to the extent the Board delegates the power to appoint the Chief Operating Officer to the President or Chief Executive Officer, and the Chief Operating Officer may be the President or another individual.

#### **Section 5 – President**

The President may serve as Chief Operating Officer, Chief Executive Officer, or both, as determined by the Board, and shall (i) be, ex officio, a member of all standing committees so long as (and only so long as) the President also is a Director of the Company, except that the President shall not be a member of any committee that is required by applicable law to consist of only independent Directors or that the Board otherwise determines shall consist of only independent Directors; (ii) perform all duties incident to the office of President; and (iii) perform such other duties as the Board may prescribe. In addition, the President or the Secretary shall sign all policies of insurance issued by the Company.

#### **Section 6 – Vice President**

The Vice President shall perform all the duties of the President of the Company in case of the latter's absence or inability to serve and shall have such other duties as may be assigned by the Board.

#### **Section 7 – Secretary**

The Secretary shall (i) keep or cause to be kept correct minutes of all meetings of the members and the Board; (ii) give or cause to be given required notice of all meetings of the members, the Board, and Board committees; (iii) oversee the care and custody of all corporate papers and records of the Company; (iv) perform all duties incident to the office of Secretary; and (v) perform such other duties as the Board may prescribe. In addition, the Secretary or the President shall attest to all policies of insurance issued by the Company.

#### **Section 8 – Treasurer**

The Treasurer shall (i) together with the chief financial officer, oversee Company finances and endeavor to ensure that the Board has adequate information concerning Company finances; (ii)

perform all duties incident to the office of Treasurer; and (iii) perform such other duties as the Board may prescribe.

### **Section 9 – Other Officers**

The corporate duties of other officers appointed by the Board shall be approved by the Board. Unless specifically stated in the appointment, such other officers shall perform the duties of their office under the direction and supervision of the President.

### **Section 10 – Bonding**

The Treasurer and other officers or employees of the Company shall be bonded in such amount and such manner as the Board shall require.

## **ARTICLE VII**

### **LIMITATION OF DIRECTOR LIABILITY**

#### **Section 1 – Personal Liability of Directors**

(a) **General Rule:** A Director of the Company shall not be personally liable for monetary damages for any action taken or any failure to take any action, except to the extent that exemption from liability for monetary damages is not permitted under applicable law. The provisions of this Article are intended to exempt the Directors of the Company from liability for monetary damages to the maximum extent permitted under applicable law.

(b) **Specific Rule:** Without limitation of subsection (a) of this Section, a Director of the Company shall not be personally liable for monetary damages for any action taken or any failure to take any action, unless: (i) the Director has breached or failed to perform the duties of his or her office under applicable law, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness. The provisions of the preceding sentence shall not exempt a Director from: (i) the responsibility or liability of a Director pursuant to criminal statute; or (ii) the liability of a Director for the payment of taxes pursuant to local, state, or federal law.

#### **Section 2 – Modification or Repeal**

The provisions of this Article may be modified or repealed in accordance with the procedures for amending these bylaws; provided, however, that any such modification or repeal shall not have any effect upon the liability of a Director relating to any action taken, any failure to take any action, or events which occurred prior to the effective date of such modification or repeal.

## **ARTICLE VIII**

### **INDEMNIFICATION**

#### **Section 1 – Mandatory Indemnification – Directors and Officers**

Subject to the provisions of this Article, the Company shall, to the fullest extent permitted under applicable law, indemnify any person (and his or her heirs, executors, and administrators) who was or is a party, witness, or other participant, or is threatened to be made a party, witness, or other participant, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including, without limitation, actions by or in the right of the Company) by reason of the fact that he or she is or was a Director or officer of the Company, or is or was serving at the request of the Company as a director or officer of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise against all expenses (including attorney fees, court costs, transcript costs, fees of experts and witnesses, travel expenses, and all other similar expenses), judgments, fines, penalties, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

### **Section 2 – Permissive Indemnification – Employees**

Subject to the provisions of this Article, the Company may indemnify any person (and his or her heirs, executors, and administrators) who was or is a party, witness, or other participant, or is threatened to be made a party, witness, or other participant to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including, without limitation, actions by or in the right of the Company) by reason of the fact that such person is or was an employee of the Company, or is or was serving at the request of the Company as an employee of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise against all expenses (including attorney fees, court costs, transcript costs, fees of experts and witnesses, travel expenses, and all other similar expenses), judgments, fines, penalties, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

### **Section 3 – Standard of Conduct**

Except as provided in Section 5 of this Article, indemnification shall be provided under Section 1 of this Article and may be provided under Section 2 of this Article only if it is determined in accordance with the procedure set forth in Section 4 of this Article that: (i) the person seeking indemnification acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company; and (ii) with respect to any criminal action or proceeding, the person had no reasonable cause to believe his or her conduct was unlawful. Notwithstanding the foregoing or anything in this Article to the contrary, no person shall be indemnified in any case where: (i) except and to the extent otherwise determined by a court of competent jurisdiction in accordance with applicable law, the person has been adjudged to be liable to the Company for the claim, issue, or matter as to which the person seeks indemnification and the liability arose out of a claim made directly by or derivatively in the name of the Company; (ii) indemnification is impermissible by reason of federal law; or (iii) the act or failure to act giving rise to the claim for indemnification is determined by a court of competent jurisdiction to have constituted willful misconduct or recklessness.

#### **Section 4 – Procedure**

Except as provided under Section 5 of this Article, indemnification under this Article (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification is proper under the circumstances because the person seeking indemnification has met the applicable standard of conduct set forth in Section 3 of this Article. All such determinations shall be made in accordance with the following procedure:

(a) **Method of Determination**: All determinations shall be made: (i) by the Board by majority vote of a quorum consisting of Directors who were not parties to the action, suit, or proceeding in respect of which indemnification is sought; or (ii) in the event that such a quorum is not obtainable, or, even if obtainable, a majority of such quorum so directs, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the person seeking indemnification; or (iii) by the members.

(b) **Selection and Payment of Independent Counsel**: In the event that a determination is to be made by Independent Counsel, such Independent Counsel shall be selected by the Board and the law firm or person so selected shall be subject to the approval of the person seeking indemnification, which approval shall not be unreasonably withheld. The Company shall pay all reasonable fees and expenses of the Independent Counsel. For purposes of this Article, “Independent Counsel” shall mean a law firm, or a member of a law firm, that is experienced in matters of corporate law and that has not in the immediately preceding five (5) years been retained to represent the Company, the person seeking indemnification, or any other party to the action, suit, or proceeding giving rise to the claim for indemnification.

(c) **No Presumption**: The termination of any action, suit, or proceeding referred to in this Article or of any claim, issue, or matter therein, by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that a person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or that the act or failure to act giving rise to the claim for indemnification constitutes willful misconduct or recklessness.

#### **Section 5 – Successful Defense**

Notwithstanding any other provision of this Article, to the extent that a Director, officer, or employee of the Company has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in this Article, or in defense of any claim, issue, or matter therein, the person shall be indemnified by the Company against all expenses (including attorney fees, court costs, transcript costs, fees of experts and witnesses, travel expenses, and all other similar expenses) actually and reasonably incurred by him or her in connection with such action, suit, proceeding, or defense.

#### **Section 6 – Advance Payment of Expenses**

Subject to such terms, conditions, and limitations, if any, as the Board may in its discretion determine to be appropriate, the Company shall advance all reasonable expenses (including attorney fees, court costs, transcript costs, fees of experts and witnesses, travel expenses, and all other similar expenses) reasonably incurred in connection with the defense of or other response to any action, suit, or proceeding referred to in this Article upon receipt of an undertaking by or on behalf of the person seeking the advance to repay all amounts advanced if it shall ultimately be determined upon final disposition of such action, suit, or proceeding that such person is not entitled to be indemnified by the Company under the provisions of this Article. However, the Company shall not be required to make any advance payment of expenses (or to make any further advance if one or more advances shall have been previously made) in the event that a determination is made by the Board that the making of an advance or further advance would be inappropriate under the circumstances.

#### **Section 7 – No Duplication of Payments**

The Company shall not be liable under this Article to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that the person seeking indemnification has otherwise actually received payment under any insurance policy, contract, agreement, or otherwise. In the event that the Company makes an advance payment of expenses to or on behalf of any person, such person shall repay to the Company the amount so advanced, if and to the extent that he or she subsequently receives payment therefor under any insurance policy, contract, agreement, or otherwise.

#### **Section 8 – Insurance**

The Company may purchase and maintain at its own expense one or more policies of insurance to protect itself and to protect any Director, officer, employee, or agent of the Company or of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise against any expense, liability, or loss incurred by such person in such capacity, whether or not the Company would have the authority to indemnify such person against any such expense, liability, or loss under this Article or under applicable law.

#### **Section 9 – Indemnification Agreements**

The Company shall have authority by vote of a majority of the Board to enter into an Indemnification Agreement with any person who may be indemnified by the Company pursuant to the provisions of this Article or otherwise. Any such Indemnification Agreement may contain such terms and conditions as a majority of the Board shall in the exercise of their discretion determine to be necessary or appropriate, provided that such terms and conditions may not be inconsistent with the substantive provisions of this Article. The fact that the Company has not entered into an Indemnification Agreement with any person shall not in any way limit the indemnification rights of such person under this Article or otherwise.

### **Section 10 – Non-Exclusivity**

The right to indemnification and to the payment of expenses incurred in defending against or otherwise responding to any action, suit, or proceeding in advance of its final disposition as set forth in this Article shall not be exclusive of any other rights which any person may now have or hereafter acquire under any agreement, vote of members, vote of disinterested Directors, or under any applicable law, or under the charter of the Company, or otherwise.

### **Section 11 – Survival of Rights**

The indemnification rights provided to a person under the provisions of this Article shall continue after such person ceases to be affiliated with the Company or, as the case may be, another entity, as to any action taken, or any failure to take action, or any events which occurred while such person was affiliated with the Company or the other entity.

### **Section 12 – Modification or Repeal**

The provisions of this Article may be modified or repealed in accordance with the procedures for amending these bylaws; provided, however, that any such modification or repeal shall not have any effect upon the indemnification rights of any person as they relate to any action taken, any failure to take action, or to events which occurred prior to the effective date of such modification or repeal.

## **ARTICLE IX**

### **MEETING PARTICIPATION AND NOTICE**

#### **Section 1 – Use of Conference Telephone and Other Electronic Technology**

Subject to the approval of the Chairperson of the Board in each instance, one or more Directors may participate in a meeting of the Board or a committee of the Board by conference telephone, on-line conferencing, or other electronic technology by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

#### **Section 2 – Time of Notice**

Whenever notice is required to be given to any person (whether member, Director, or otherwise) under the provisions of applicable law, the charter of the Company, or these bylaws, it shall be given the number of days in advance of the applicable event as specified by applicable law, the charter of the Company, or these bylaws.

#### **Section 3 – Manner of Giving Notice**

Whenever notice is required to be given to any person (whether member, Director, or otherwise) under the provisions of applicable law, the charter of the Company, or these bylaws, it may be given in any of the following ways: (i) To the extent expressly authorized by law for member meetings, by publication; (ii) First class, express, or overnight mail or courier service, prepaid, to the address for the intended recipient appearing on the records of the Company. If the notice is sent by mail or courier service, it shall be deemed given when deposited with a mail or courier service; (iii) Personal delivery; (iv) Facsimile or e-mail to the facsimile number or the e-mail address for the intended recipient supplied to the Company by the person for the purpose of notice. If the notice is sent by facsimile or e-mail, it shall be deemed given when received at the e-mail address or facsimile number. A meeting notice shall set forth all information required by applicable law, and may be given only by or under the direction of the President or Secretary.

#### **Section 4 – Waiver of Notice**

Whenever any written notice is required to be given under applicable law, the charter of the Company, or these bylaws, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time when notice is or was to be given, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of a meeting. Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

### **ARTICLE X**

#### **AMENDMENT OF BYLAWS**

Except as otherwise restricted by applicable law, these bylaws may be amended or repealed by the Board at any regular or special meeting. Any amendment to or repeal of these bylaws made by the Board is subject to the power of the members to change such action. These bylaws may also be amended or repealed, in whole or in part, upon the affirmative vote of two-thirds of those members who are present in person, at any annual or special meeting of the members duly convened after notice. Any such amendment or repeal shall be consistent with the charter of the Company.

### **ARTICLE XI**

#### **ASSESSMENTS AND LOSSES**

##### **Section 1 – Assessment Plan**

The Company shall transact on an assessment plan. The Company shall classify the property and the liability risks insured by the Company under different rates corresponding as nearly as may be to the amount of risk from the cause insured against. Every person desiring insurance in this company shall sign a written application, in such form as the Directors shall prescribe, describing

the property to be insured or the liability coverage desired, or both, shall give his obligation to the Company for the payment of the losses and expenses of the Company and, at the time of making such application, shall pay such advance payment in cash, as may be required by the regulations of the Company established by the Board of Directors.

The Board of Directors shall specify deadlines and timelines for payments in cash for insurance policies issued by the Company, payable on or before the effective dates of such policies, which may include such periodic payments, including but not being limited to monthly, quarterly, semi-annual and annual advance payments, as the Board of Directors shall from time to time determine. The cash payments hereinbefore provided shall not be in lieu of any assessments deemed necessary by the Board of Directors.

### **Section 2 – Liability of Members**

Every policyholder of the company shall be liable to the company for payment of his pro-rated share of the expenses and losses of the company. All monies paid to the company for insurance, and all other income received by the company, shall constitute a fund from which losses and expenses shall be paid. If such money on hand shall be deemed inadequate by the Directors to pay probable losses and expenses to be incurred, the Board of Directors shall make an assessment on all policy holders sufficient to pay for the operating expenses of the company and to create and maintain a reasonable surplus.

### **Section 3 – Time When Member Liabilities Become Due**

Whenever an assessment shall have been ordered by the Board of Directors, it shall be the duty of the Secretary to immediately notify every member of the company by letter addressed and mailed to him at his post office address, as shown by the records of the company, of the sum due from him as his pro-rata share of such assessment, and the time when and to whom such payment is to be made, but such time shall not be less than 30 or more than 60 days from the date of such notice. If payment is not made within the time stated in the notice, the policy of the delinquent member shall stand suspended and shall not be in effect from that time until such payment is made.

Such company shall not be liable for any losses occurring under any policy during such period of suspension, notwithstanding any knowledge or notice of such loss on the part of the company, its officers or agents. In the event such suspended policy shall be reinstated upon the payment of all unpaid assessments such re-instatements shall take effect from the date such assessments shall be received and accepted by the Secretary of the company. Suits at law may be brought against any member of the company who shall refuse or neglect to pay any assessments made upon him, and if the Directors shall willfully neglect to perform the duties imposed upon them under this section, they shall be liable in their individual capacity to the persons sustaining such losses.

### **Section 4 – Adjustment Of Losses**

Adjustment of losses shall be in accordance with the policies and procedures of the Company.