

ARTICLES OF INCORPORATION

OF

NAMIC INSURANCE COMPANY, INC.

The undersigned incorporators, all of whom are citizens of the United States and a majority of whom are residents of the State of Indiana, desiring to form a corporation (hereinafter referred to as "the Company") pursuant to the provisions of the Indiana Insurance Law, execute the following Articles of Incorporation:

Be it remembered that the following Articles of Incorporation and all matters heretofore done or hereafter to be done are in accordance with "Indiana Insurance law," being Chapter 162, Section 1, et seq., of the Acts of the Indiana General Assembly, 1935 (IC 27-1-2-1, et seq.) as amended.

A

The name of the Company shall be NAMIC INSURANCE COMPANY, INC.

B

The post office address of the principal office of the Company shall be 3707 Woodview Trace, P.O. Box 68700, Indianapolis, Indiana 46268, but meetings of the shareholders, directors, executive committee and other committees of the directors may be held at such other place within or without the State of Indiana and within the United States and Canada as the bylaws shall permit.

C

Section 1. The purpose for which the Company is organized is as follows:

CLASS 2.

- (a) To insure any persons against bodily injury, disablement or death resulting from accident and against disablement resulting from disease and every insurance appertaining thereto;
- (b) To insure against loss or damage resulting from accident to, or injury sustained by, an employee or other person for which accident or injury the insured is liable;
- (c) To insure against loss or damage by burglary, theft or housebreaking;
- (d) To insure glass, its fittings or lettering thereon, against breakage or damage;
- (e) To insure against loss from injury to persons or property which results accidentally from steam-boilers, elevators, electrical devices, engines and all machinery and appliances used in connection therewith or operated thereby; and to make inspection of and issue certificates of inspection upon such boilers, elevators, electrical devices, engines, machinery and appliances;
- (f) To insure against any loss, expense and/or liability resulting from the ownership, maintenance, use and/or operation of any automobile or other motor vehicle, including complete line coverage on automobiles or other motor vehicles;

- (g) To insure against loss or damage by water to any goods or premises arising from the breakage or leakage of sprinklers and/or water-pipes;
- (h) To insure against any loss or damage resulting from accident to or injury suffered by any person, for which loss or damage the insured is liable; excepting employer's liability insurance as authorized under subsection (b) of class 2 of this section;
- (i) To insure persons, associations or corporations against loss or damage by reason of the giving or extending of credit;
- (j) To insure against loss or damage on account of encumbrances upon or defects in the title to real estate and against loss by reason of the nonpayment of the principal or interest of bonds, mortgages or other evidences of indebtedness;
- (k) To become surety or guarantor for any person, partnership or corporation in any position or place of trust or as custodian of money or property, public or private; to become a surety or guarantor for the performances by any person, copartnership or corporation of any kind, except contracts or policies of insurance, to become surety or guarantor for the performance of insurance contracts where surety bonds are required by states or municipalities. The business covered by this subsection (k) shall be considered as fidelity and surety obligations and construed as such regardless of any other classification contained in this chapter to the contrary;
- (l) To insure against any other casualty or insurance risk specified in the Articles of Incorporation which lawfully may be made the subject of insurance and for which specific provision is not made in this article.
- (m) To insure against legal expenses, such as attorneys fees, court costs, witness fees and incidental expenses incurred in connection with the use of the professional services of attorneys at law, in consideration of a specified payment for an interval of time, regardless of whether payment is made by the beneficiaries individually or by a third person for them, so that the total cost incurred by assuming the obligation is spread directly or indirectly among the group, except those expenses resulting from the following:
- (1) Retainer contracts made with a single client with the fee based on an estimate of the nature and the amount of services that will be provided to that client, and similar contracts made with a group of clients involved in the same or closely related legal matters (such as class actions).
 - (2) Plans providing no benefits other than a limited amount of consultation and advice on simple matters either alone or in combination with referral services or the promise of fee discounts for other matters.
 - (3) Plans providing limited benefits on simple legal matters on a voluntary and informal basis, not involving a legally binding promise, in the context of an employment or education or similar relationship.

(4) Legal services provided by unions or employee associations to its members in matters solely relating to employment or occupations, and provided, further, that nothing in this chapter shall prohibit group legal services of any other kind.

(5) Payment of fines, penalties, judgments or assessments.

CLASS 3.

(a) To make insurance on buildings and personal property of every description against loss or damage, including loss of use or occupancy, caused by fire, smoke or smudge, lightning or other electrical disturbance, earthquake, windstorm, cyclone, tornado, tempest, hail, frost or snow, ice, sleet, weather or climatic conditions, including excess or deficiency of moisture, flood, rain or drought, rising of the waters of the ocean, or its tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, and by explosion, whether fire ensues or not, except explosion of steam-boilers.

(b) To insure against loss or damage from any cause, to crops or farm products and loss of rental value of land used in producing such crops or products;

(c) To insure against loss or damage by water or other fluid to any goods or premises arising from the breakage or leakage of sprinklers, pumps, or other apparatus erected from extinguishing fires or of other conduits or containers or by water entering through leaks or openings in buildings and/or water-pipes, and against accidental injury to such sprinklers, pumps, or other apparatus, conduits, containers or water-pipes;

(d) To insure vessels, boats, cargoes, goods, merchandise, freight, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange, other evidences of debt, bottomry and respondentia interests, and other property against loss or damage by any or all of the risks of lake, river, canal and inland navigation and transportation and other insurances appertaining to or connected with marine risks, including complete line coverage automobile insurance, and also insurance on any other property or risk, or the use thereof, by reason of any contingency unless the granting of such insurance is contrary to public policy. However, the company may not grant or make insurance against; (1) losses arising from explosion of steam boilers; (2) losses arising from breakage of plate or other glass, except when caused by fire, wind, or hail storm, and except when the loss occurs to glass which is a part of any dwelling house; (3) risks of the classes commonly known as fidelity insurance and surety bonds; (4) risks of the classes commonly known as burglary or theft insurance, except as above specifically permitted, and except for the risks to any dwelling house; and (5) the risk of legal liability by reason of bodily injury to the person except as such liability may result from the ownership, maintenance, use or operation of an automobile.

Provided that, the holders of two thirds (2/3) of each of the Class A stock and Class B stock must approve entry into any of the above Class 2 or Class 3 insurance obligations except for the provision of insurance: (i) for officers, directors and employees of insurance companies and insurance industry associations, corporations and other entities, and their subsidiaries against loss or damage by reason of wrongful performance or nonperformance of their corporate duties, (ii) for insurance companies and insurance industry associations, corporations and other entities, and their subsidiaries against loss or damage by reason of their obligation to indemnify

their directors, officers and employees or by reason of wrongful performance or nonperformance of their professional duties, and (iii) for insurance agents and brokers against loss or damage by reason of their legal obligations for any act, error or omission arising out of the conduct of their professional services as agent or broker.

D

The term for which the Company shall continue as a corporation is perpetual.

E

Section 1. The amount of authorized capital of the Company shall be five million dollars (\$5,000,000).

Section 2. The Company shall have authority to issue five hundred thousand (500,000) shares of capital stock of the par value of fifty-one dollars (\$51) per share, consisting of two thousand (2,000) shares of Class A Stock and four hundred ninety-eight thousand (498,000) shares of Class B Stock.

Section 3. Class A stock and class B stock shall have identical rights except as follows:

(a) The Class A stock, voting as a class, shall be entitled to elect a number of directors (the "Class A Directors") equal to the first integral number which is more than one-half (1/2) of the whole authorized number of directors.

(b) The Class B stock, voting as a class, shall be entitled to elect a number of directors (the "Class B Directors") equal to the first integral number which is less than one-half (1/2) of the whole authorized number of directors.

(c) Any action by the shareholders of the Company other than the election of directors shall require the affirmative vote of both the holders of Class A stock, voting as a class, and the holders of Class B stock, voting as a class, unless otherwise noted in these Articles.

F

The minimum amount of paid-in capital and paid-in surplus with which the Company shall begin business shall be respectively one million dollars (\$1,000,000) and one million dollars (\$1,000,000).

G

The plan or principle upon which the business is to be transacted is that of a stock casualty insurance company authorized to make any and all of the kinds of insurance described in Subsections (a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) and (m) excluding bail bonds, of Class 2 and (a) (b) (c) (d) of Class 3 kinds of insurance or reinsurance as described in the Indiana Insurance Code, IC 27-1-5-1. This includes the insuring of corporate officers, directors and employees of insurance companies against loss or damage by reason of wrongful performance or non-performance of their corporate duties, and the provision of insurance for insurance agents and brokers against their legal obligation for any act, error or omission arising out of the conduct of their profession as agent or broker.

H

The name, occupation and post office address of each of the incorporators, at least a majority of whom are residents of the State of Indiana and citizens of the United States, are:

<u>Name</u>	<u>Occupation</u>	<u>Post Office Address</u>
Harold W. Walters	Insurance Executive	7135 Huntington Rd.

Larry L. Forrester	Insurance Executive	Indianapolis, IN 46240 445 North, 600 West Lebanon, IN 46052
Robert C. Kehling	Insurance Executive	20 Dawn Drive Brownsburg, IN 46112
Robert L. Harrison	Insurance Executive	253 Brierley Way Carmel, IN 46032
Henry H. Gibbel	Insurance Executive	11 East Third Ave. Lititz, PA 17543
Thomas L. Ulmer	Insurance Executive	645 Redding Rd. Seymour, IN 47274
Lloyd G. Wright	Insurance Executive	775 Chaffin Ridge Columbus, OH 43214

Section 1. The names of the first officers and directors, their post office addresses and their terms of office are:

<u>Title</u>	<u>Name</u>	<u>Post Office Address</u>
President, Director (Class A) and Chairman of the Board	Harold W. Walters	7135 Huntington Rd. Indianapolis, IN 46240
Treasurer and Director (Class A)	Henry H. Gibbel	11 East Third Ave. Lititz, PA 17543
Director (Class A)	Alden A. Ives	17 Williams Glen Way Glastonbury, CT 06033
Director (Class A)	Clifford R. Hanson	Route 2 – Box 10 Cottonwood, MN 56229
Director (Class A)	William H. Powers	426 9 th Ave. SE Le Mars, IA 51031
Secretary and Director (Class B)	Robert L. Harrison	253 Brierley Way Carmel, IN 46032
Director (Class B)	Lloyd G. Wright	775 Chaffin Ridge Columbus, OH 43214
Director (Class B)	Francis P. Story	Indian Hill Prides Crossing, MA 01965
Director (Class B)	Paul O. Stillman	24 Genesee St. New Berlin, NY 13411

The term of such officers and directors shall be until the first annual meeting of stockholders or until their successors are elected and qualified, and thereafter as specified in the bylaws. The officers shall serve at the pleasure of the Board of Directors.

Section 2. The business affairs of the Company shall be managed by a board of directors of not less than nine (9) nor more than fifteen (15). The exact number of directors to serve for each year may be revised from time to time as the bylaws may prescribe. If at any time the bylaws do not describe the number of directors, such number shall be nine (9).

Section 3. The Board of Directors shall be divided into groups each of which shall be elected for staggered terms as provided in the Bylaws, which shall also specify the maximum term of service and any limitation on the right of a Director to be re-elected.

Section 4. The Company may provide indemnification to officers, directors, employees and agents in its bylaws or otherwise to the fullest extent permitted by law.

Section 5. Each director shall be a citizen of the United States or Dominion of Canada and at least one director shall be a resident of the State of Indiana.

I

Section 1. Each share of capital stock, other than capital stock held by the Company, shall carry one (1) vote on every issue of any nature, ordinary or extraordinary, to be brought before the shareholders of the Company. There shall be no cumulative voting of shares.

Section 2. Authorized capital stock may be issued at such times and in such amounts and for such consideration per share, not less than par, and with such payment per share for paid-in surplus (hereafter called "attributed capital surplus") as the board of directors from time to time shall determine.

Section 3. Holders of shares of capital stock shall not have any pre-emptive rights, with respect to any future issue by the Company of bonds, debentures, or capital stock.

Section 4. No purchase or other acquisition by the Company of its own stock, nor purchase of property by the Company in exchange for its own stock, nor payment of dividends on stock shall be effected if the capital or statutory surplus of the Company, in accordance with statutory accounting principals, is, or is thereby, reduced to an amount which is less than that required by the law of any jurisdiction in which the company is authorized to do business.

Section 5. Subject to the provisions of Section 4, the Company may acquire by purchase at an agreed price, or by gift, devise, or otherwise, shares of its own stock. Shares of stock purchased or otherwise acquired by the Company may be retired or, to the extent permitted by law, carried as treasury stock as the board of directors may determine.

Section 6. The directors shall have the exclusive right to determine the consideration to be paid for any property purchased by the Company which consideration may be paid in cash or in property. In the event any property is taken in exchange for stock of the Company, the valuation of such property by the directors shall be conclusive in the absence of fraud.

Section 7. It shall be the duty of all shareholders to keep the Company advised at all times of their current address. The Company shall not be liable to any shareholder for nonpayment of dividends or any other payments of any kind or failure to give any notice of any nature where such failure is caused by the failure of the shareholder to keep the Company currently advised of the shareholder's address.

Section 8. The Company shall have the capacity to act as a natural person and shall have the authority to perform such acts as are necessary, convenient or expedient to accomplish the purposes for which it is formed to the full extent permitted by law.

The company shall have and exercise the general rights, privileges, and power provided by the "Indiana Insurance Law," being Chapter 162, Section 80 of the Acts of the Indiana General Assembly, 1935 (IC 27-1-7-2) as amended, and shall have the power further to engage in joint ventures and enter into partnerships and shall in addition have and exercise any further rights and powers subsequently granted by statute and any other rights and powers which may be necessary or convenient to the exercise of the rights, privileges, and powers given by statute and to the proper exercise of the Company's function, to the full extent permitted by law.

Section 9. The power to make, amend or repeal the bylaws of the Company shall be vested in the board of directors.

Section 10. The Company shall have a lien upon shares of stock, dividends payable on stock or upon any other monies belonging to a shareholder and held by the Company for any indebtedness or obligation other than policy loans or premium indebtedness owed by such shareholder to the Company.

Section 11. Any action required or permitted to be taken in any meeting of the board of directors or of any committee thereof may be taken without a meeting, provided that prior to such action a written consent shall be signed by all members of the board of directors or of such committee as the case may be and such written consent is filed with the minutes of the proceedings of the board of directors or the committee.

Section 12. Any meeting of shareholders may be held at such place, within or without the State of Indiana, as may be determined by the Board of Directors.

J

Section 1. The Articles of Incorporation may be amended by the affirmative vote of both two-thirds (2/3) of the outstanding shares of Class A stock, voting as a class, and two-thirds (2/3) of the outstanding shares of Class B stock, voting as a class.

IN WITNESS WHEREOF, the undersigned, being all of the incorporators designated in Article H, execute these Articles of Incorporation, this _____ day of November, 1986.

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

I, THE UNDERSIGNED, A Notary Public duly commissioned to take acknowledgements and administer oaths in the State of Indiana, certify that Robert L. Harrison, Henry H. Gibbel, Harold W. Walters, Larry L. Forrester, Robert C. Kehling, Thomas L. Ulmer, and Lloyd G. Wright, being all of the incorporators referred to in Article H of the foregoing Articles of Incorporation, personally appeared before me and acknowledged the execution thereof.

WITNESS my hand and Notarial Seal this _____ day of November, 1986.

Notary Public

My commission expires:

County of Residence_____
