

**AMENDED AND SUBSTITUTED
ARTICLES OF INCORPORATION
OF
NORWEGIAN MUTUAL INSURANCE ASSOCIATION**

ARTICLE I: Name

Section 1. The name of this Association is NORWEGIAN MUTUAL INSURANCE ASSOCIATION.

ARTICLE II: Place of Business

Section 1. The principal place of business of the Association shall be in Decorah, Winneshiek County, Iowa, and it may conduct its business and operations anywhere in the state of Iowa, subject to any required approval of the Commissioner of Insurance of the state of Iowa or as authorized by Chapter 518A, Code of Iowa (2017).

ARTICLE III: Purpose and Powers

Section 1. This Association shall be a continuation of the original corporation incorporated in 1871, and shall have and retain all the rights, property, and privileges which it had prior to the adoption of these Amended and Substituted Articles of Incorporation and any additional rights, powers and privileges provided for herein.

Section 2. The object and purpose of the Association shall be that of insurance as permitted for mutual insurance associations by Chapter 518A, Code of Iowa (2017), and it shall operate as a mutual insurance association as authorized by Chapters 491 and 518A of the Code of Iowa (2017); and it hereby assumes all the rights, powers and privileges granted or permitted thereby and by any Act or Acts amendatory thereto, together with such rights, powers and privileges as are now or may hereafter be otherwise conferred upon such Association by law.

Section 3. Subject to the limitations imposed by law, the Association shall be empowered to:

- A. Insure or reinsure against loss or damage by:
 - 1.) Any peril or perils resulting in physical loss of or damage to property.
 - 2.) Theft of personal property.

3.) Injury, sickness, or death of animals and the furnishing of veterinary service.

B. Insure or reinsure any other or additional risk which is now or may hereafter be authorized or permitted by law for mutual insurance associations.

C. In addition to the foregoing powers set forth in A. and B. of this Article, the Association shall be empowered:

1.) To cause itself to be insured in companies against any loss or risk or any part thereof it may have incurred in the course of its business.

2.) To have perpetual succession by its corporate name.

3.) To sue and be sued, complain and defend in its corporate name.

4.) Subject to the limitations of law to purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real and personal property or any interest therein wherever situated.

5.) To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets in compliance with Chapter 518A, Code of Iowa (2017).

6.) To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose and use and deal in and with shares or other interests in or obligations of other domestic or Canadian corporations, associations, partnerships or individuals or direct or indirect obligations of the United States or of any other government, state, territory, governmental district or municipality or of any instrumentality thereof.

7.) To make contracts and guarantees and incur liabilities, borrow money at such rates of interest as the Association may determine, issue its notes, bonds or other obligations, secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income.

8.) To lend money for its corporate purposes, invest and reinvest its funds and take and hold real and personal property as security for the payment of funds so loaned or invested in compliance with Chapter 518A, code of Iowa (2017).

9.) To conduct its business, carry on its operations, have offices and exercise the powers set forth herein within the State of Iowa.

10.) To elect or appoint officers and agents of the Association and to define their duties and fix their compensation.

11.) To make and alter By-Laws, not inconsistent with these Restated Articles of Incorporation or the laws of the State of Iowa, for the administration and regulation of its affairs.

12.) To make donations for the public welfare or for religious, charitable, scientific or educational purposes.

13.) To transact any lawful business which the Board of Directors shall find will be in aid of governmental authority.

14.) To pay pensions and establish pension plans, pension trusts, profit-sharing plans, and other incentive, insurance and welfare plans for any or all of its directors, officers and employees.

15.) To cease its corporate activities and surrender its corporate franchise.

16.) To have and exercise all the powers conferred by the laws of the State of Iowa upon corporations formed under Chapter 491 of the Code of Iowa, and corporations formed for the purpose of insurance under Chapter 518A, of the Code of Iowa (2017), and all powers necessary or convenient to affect any or all of its objects, purposes and powers.

17.) To consolidate or merge with any other corporation.

ARTICLE IV: Corporate Seal

Section 1. The Association shall not have a corporate seal.

ARTICLE V: Membership

Section 1. The membership of the Association shall consist of every individual, partnership, public or private corporation, board or association, trustee, administrator, executor, organization or other legal entity having insurance herein. Membership and insurance may be obtained only upon written application, signed by the applicant and shall commence only when accepted by the Association, and shall cease when such insurance is canceled or terminated for any cause. Insurance on the property of one or more minors may be granted on application of any adult parent, friend or guardian who consents to become a member of the Association as representing such minor. A member of the Association shall be entitled to the privileges of such membership as defined in these Articles, the By-Laws of the Association and Contract of Insurance, so long only as said contract of insurance remains in force.

Section 2. The private property of the members shall be exempt from Association debts.

ARTICLE VI: Meetings

Section 1. The annual meeting of the members shall be held on the fourth Thursday in March of each year commencing at 1:30 p.m. CST in Decorah, Iowa.

Section 2. Special meetings of the members shall be called by the President upon request of the majority of the members of the Board of Directors or upon written request of one-fourth of the members of the Association. Due notice of time and place of such special meeting shall be given to the members as specified in the By-Laws.

Section 3. Each member present at any meeting shall be entitled to one vote on each question voted on at any membership meeting regardless of the number of policies owned by the member. No voting shall be permitted by proxy.

Section 4. A quorum shall be one more member than the number of Directors fixed by Resolution of the Board of Directors.

ARTICLE VII: Duration

Section 1. The Association shall have perpetual existence but it may be dissolved at any time for good cause upon the affirmative votes of two-thirds (2/3) of the members present in person and voting thereon, at any regular or special meeting of the membership duly called and held; provided, no action to dissolve the Association shall be sufficient unless written notice that such action is to be considered shall have been given to all members by the President and Secretary of the Association at least twenty (20) days prior to the meeting.

Section 2. In the event of the dissolution of the Association, the net assets, if any, of the Association, after payment of all liabilities, shall be distributed to policyholders who were members on the date of the meeting at which the Resolution of Dissolution was adopted. Such distribution shall be made based on the proportion that the amount of earned premium paid by each policyholder during the preceding twelve (12) months bears to the aggregate of all earned premiums in the twelve (12) months immediately preceding the date of the meeting at which the Resolution of Dissolution was adopted.

ARTICLE VIII: Directors

Section 1. Except as otherwise provided by law, all corporate powers shall be exercised by or under authority of, and the business and affairs of the Association shall be managed by or under the direction of the Board of Directors.

1. Each member of the board of directors, when discharging the duties of a director, shall act in conformity with all of the following:

a. In good faith.

b. In a manner the director reasonably believes to be in the best interests of the corporation.

2. The members of the board of directors or a committee of the board, when becoming informed in connection with their decision-making function or devoting attention to their oversight function, shall discharge their duties with the care that a person in a like position would reasonably believe appropriate under similar circumstances.

3. In discharging board or committee duties, a director who does not have knowledge that makes reliance unwarranted is entitled to rely on the performance by any of the persons specified in subsection 5 to whom the board may have delegated, formally or informally by course of conduct, the authority or duty to perform one or more of the board's functions that are delegable under applicable law.

4. In discharging board or committee duties a director, who does not have knowledge that makes reliance unwarranted, is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the persons specified in subsection 5.

5. A director is entitled to rely, in accordance with subsection 3 or 4, on any of the following:

a. One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports, or statements provided.

b. Legal counsel, public accountants, or other persons as to matters involving skills or expertise the director reasonably believes are either of the following:

(1) Matters within the particular person's professional or expert competence.

(2) Matters as to which the particular person merits confidence.

c. A committee of the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence.

Section 2. The following persons constituting the present Board of Directors shall be directors of the Association to serve for the terms indicated:

<u>Name</u>	<u>Address</u>	<u>For the Term Expiring With Annual Meeting of Members in the Year</u>
Donald Anderson	Cresco, IA	2018
Raymond Kyamme	Decorah, IA	2018
James Kuennen	Ft. Atkinson, IA	2018
Dennis Linderbaum	Ossian, IA	2019
David Albertson	Calmar, IA	2019
Keith Sersland	Decorah, IA	2019
Randy Hanson	Decorah, IA	2017
Erik Wangsness	Decorah, IA	2017
Thomas Otteson	Decorah, IA	2017

Section 3. The number of directors which shall constitute the whole Board of Directors shall be not less than five, nor more than fifteen, and within such limits, shall be fixed by Resolution of the Board of Directors, and may be increased or decreased from time to time, except no decrease shall have the effect of shortening the term of any incumbent director.

Section 4. As the term of office of each director expires, a successor shall be elected as provided in the By-Laws, by the members of the Association at the regular annual meeting of the members for a term not to exceed three (3) years. The Board of Directors may, as provided in the By-Laws, be divided into not more than three (3) classes with the members of one class being elected at each annual meeting.

Section 5. Upon the death or resignation, or expiration of term of office of any director, the Board of Directors may, by resolution, decrease the size of the Board and vacate the office, in which case no successor shall be elected; but in no event shall the Board of Directors at any time consist of less than five members.

Section 6. Any vacancy on the Board of Directors may be filled by a majority vote of the remaining directors for the balance of the unexpired term, or the office declared vacant.

Section 7. Directors shall be members of the Association and be subject to such other requirements, if any, as stated in the By-Laws.

Section 8. Directors shall serve until the expiration of the term for which they are elected and until their successors are duly elected and qualified, or the office declared vacant.

Section 9. A majority of the number of directors fixed by Resolution of the Board of Directors shall constitute a quorum for the transaction of business at Board meetings, unless a different number is required by the By-Laws. The act of a majority of the directors

present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the By-Laws or these Articles.

Section 10. The Board of Directors shall adopt By-Laws to govern the affairs of this Association and may alter, amend or repeal the same at will at any time within the limitation of these Articles and the applicable law. The Board shall also have authority to adopt rules and regulations, policy forms and riders, fix and approve salaries and commissions to be paid, require bonds for officers and employees, issue such information as the welfare of the Association may require, and designate depositories.

Section 11. The Board of Directors, in its discretion, may from time to time in such manner and to such extent as it may deem advisable, fix and determine the amount of dividends, if any, to be distributed to members, or classes or groups thereof, and for such purposes may establish reasonable classifications or groupings of members and plans of payment based on loss ratios, size of risk, class of business, territorial division, or any combination thereof, or any other equitable method; provided, however, such dividends shall be paid only from that part of gains and savings accumulated from the business as the Board of Directors, in its discretion, shall deem unnecessary for the payment of losses and expenses, for surplus requirements and for the general security of the Association and its members.

Section 12. There may be an Executive Committee consisting of at least three members, selected by the Board of Directors, with such powers as may be specified in the By-Laws or as the Board of Directors may, by resolution, delegate to it. The Executive Committee shall meet on the call of the Secretary. In such meetings, a majority shall constitute a quorum.

Section 13. The Board of Directors shall be empowered to constitute and appoint such other committees as they may deem to be in the best interests of the Association, which, to the extent provided in the resolution creating the committee, shall have and may exercise such powers as the Board of Directors may designate.

Section 14. The regular annual meeting of the Board of Directors shall be held immediately after the adjournment of the regular annual meeting of the members; and the Board of Directors shall have the power to hold its meetings, either regular or special, at such places and upon such notice as may be designated by the By-Laws or by resolution of the Board. The Board of Directors shall meet on the call of the President or Chairman of the Board of Directors.

Section 15. Compensation of directors shall be fixed by resolution of the Board of Directors.

Section 16. Attendance of a director at a meeting shall constitute a waiver of notice of such a meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of such a notice, unless required by the By-Laws.

Section 17. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors. Members of the Board may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

ARTICLE IX: Officers

Section 1. The following persons, being the present officers of the Association, shall hold the offices indicated with respect to each until the next annual meeting of the Board of Directors, or until their successors are duly elected and qualified, unless sooner removed as provided herein:

<u>Office</u>	<u>Name</u>	<u>Address</u>
President	David Albertson	Calmar, IA
Vice President	Erik Wangsness	Decorah, IA
Secretary	James Clarke	Waukon, IA
Treasurer	James Clarke	Waukon, IA

Section 2. The Board of Directors, at its regular annual meeting in each year, shall elect for a term of one year, a President, a Secretary and a Treasurer, and may elect such other officers as specified in the By-Laws or as it may deem advisable. Any of such offices may be combined, except that of President and Secretary. In its discretion, it may leave unfilled for any such period as it may fix by resolution, any office except that of President, Treasurer and Secretary.

Section 3. All officers shall hold office for one year and thereafter until their successors are elected and qualified, or until death, resignation or removal.

Section 4. The officers shall have such powers and perform such duties as may be prescribed in the By-Laws of the Association. Their compensation shall be set, from time to time, by the Board of Directors.

Section 5. Vacancies in any office may be filled by a majority vote of the Board of Directors for the unexpired term.

ARTICLE X: Conflicts of Interest

Section 1. A conflict of interest transaction is a transaction with the corporation in which a director has a direct or indirect interest. A conflict of interest transaction is not voidable by the corporation because a director had a direct or indirect interest if any of the following is true:

(1) The material facts of the transaction and the director's interest were, in accordance with the By-Laws, disclosed or known to the board of directors or a committee of the board of directors and the board of directors or the committee authorized, approved or ratified the transaction.

(2) The transaction was fair to the corporation.

Section 2. For purposes of this Article, a director has an indirect interest in a transaction if the director has a material financial interest in another entity or is an officer or director of such other entity and that entity is a party to the transaction.

Section 3. A conflict of interest transaction shall only be approved if it is authorized, approved or ratified by a majority of the directors who have no direct or indirect interest in the transaction, but it may not be approved by a single director.

Section 4. For purposes of taking action under this Article, a quorum shall consist of the directors who are present and have no direct or indirect interest in the transaction.

Section 5. The presence of an inadvertent vote cast by a director with a direct or indirect interest in the transaction does not affect the validity of the action if the transaction is otherwise authorized, approved or ratified as provided under Section I above.

ARTICLE XI: Premiums and Reserves

Section 1. The Association may collect a premium to pay losses and necessary expenses and for the creation and maintenance of a reserve fund.

Section 2. Any funds not required for payment of losses and expenses may be held in a reserve fund deposited with a bank or banks approved by the Board of Directors or invested in the classes of securities permitted by Section 518A.14, Code of Iowa (2017).

Section 3. The reserve fund shall belong to the Association and no member shall be entitled to receive any part thereof except in payment of losses and expenses or upon dissolution.

ARTICLE XII: Director Liability

Section 1. A director of the corporation shall not be liable to the corporation or its members for money damages for any action taken, or any failure to take action as a director, except liability for any of the following:

- (1) The amount of a financial benefit received by a director to which the director is not entitled.
- (2) An intentional infliction of harm on the corporation or its members.
- (3) An intentional violation of criminal law.
- (4) The approval of or assent to any unlawful distribution.

ARTICLE XIII: Director Indemnification

Section 1. The Corporation shall indemnify a director or an officer for liability, as defined in section 490.850, subsection 5, Code of Iowa (2017), to any person for any action taken, or failure to take any action, as a director or officer except liability for any of the following:

- (1) Receipt of a financial benefit to which the director or officer is not entitled.
- (2) An intentional infliction of harm on the corporation or its members.
- (3) An intentional violation of criminal law.
- (4) The approval of or assent to any unlawful distribution.

Section 2. Any director entitled to indemnification under this provision shall be entitled to be indemnified to the full extent provided in Sections 490.850 through 490.859 Code of Iowa (2017).

ARTICLE XIV: Removal of Directors

Section 1. The Board of Directors may remove any Director from office for any act or failure to act that would subject the Director to liability under Article XII of these Articles.

ARTICLE XV: Amendments

Section 1. Subject to the prior approval of the Iowa Insurance Commissioner, these Articles may be amended upon ten (10) days written notice of the meeting, at any annual meeting of the members or any special meeting called for that purpose, upon an affirmative vote of two-thirds (2/3) of the members present in person and voting thereon; provided, however, that no amendment, except with the unanimous consent of all members present at the meeting, shall be considered at any meeting unless the same shall have been reduced to writing, signed by the member or members proposing the same, and filed with the President and Secretary of the Association at least ten (10) days prior to the date of the meeting at which the proposed amendment is to be voted upon.

* * * * *

We, the undersigned, hereby certify that we are President and Secretary, respectively, of the Norwegian Mutual Insurance Association, and we further certify that the foregoing Amended and Substituted Articles of Incorporation are a true and correct copy of the Articles of Incorporation as adopted by the members of said Association at the Annual meeting of the members of the Association held in Decorah, Winneshiek County, Iowa on the 23rd day of March 2017.

David Albertson, President

James Clarke, Secretary

Subscribed and sworn to before me by the said _____, President and _____, Secretary, this __ day _____, 2017.

COMMISSIONER'S CERTIFICATE OF APPROVAL

Pursuant to the relevant provisions of the Iowa Code, the undersigned approves the Amended and Substituted Articles of Incorporation of Norwegian Mutual Insurance Association. (Effective July 1, 2017).

Doug Ommen
Interim Iowa Insurance Commissioner

By: James N. Armstrong
First Deputy Insurance Commissioner

Date:_____