

Amended and Restated BYLAWS

Nonprofits Insurance Alliance Of California,
A California Nonprofit Public Benefit Corporation



Part of Nonprofits Insurance Alliance (NIA)

Adopted as of December 5, 2019

INDEX TO BYLAWS

of

Nonprofits Insurance Alliance Of California,

A California Nonprofit Public Benefit Corporation

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BYLAWS
OF
NONPROFITS INSURANCE ALLIANCE OF
CALIFORNIA,
A CALIFORNIA NONPROFIT PUBLIC BENEFIT

CORPORATION ARTICLE I

NAME AND PURPOSES

The name of this Corporation is Nonprofits Insurance Alliance of California. This Corporation is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable purposes. Specifically, this Corporation is organized and operated solely to pool insurable risks of its members (other than risks related to medical malpractice) and to provide information to its members with respect to loss control and risk management.

ARTICLE

II

OFFICES

Section 1. Principal Office. The Board of Directors shall fix the location of the principal executive office of the Corporation at any place within or outside the State of California. The Board of Directors may at any time, or from time to time, change the location of the principal executive office.

Section 2. Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place of places where the Corporation is qualified to do business.

ARTICLE III

MEMBERSHI

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Section 1. Qualifications. This Corporation shall have one (1) class of members. Any nonprofit corporation incorporated in California or qualified to do business in California, which has received and maintains a current and unrevoked determination of tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, and which is organized chiefly to provide or fund health or human services (except that hospitals are specifically excluded) shall be eligible for membership on approval of the membership application by the Board of Directors and on timely payment of such premiums and contribution payments as are fixed by the Board from time to time. No corporation shall hold more than one (1) membership.

Section 2. Acceptance for and retention of Membership. An entity shall become or remain a Member so long as it both satisfies the Qualifications for Membership and has an active policy in place with the Corporation.

Section 3. Term of Membership. All memberships shall be for a term of one (1) year and shall be subject to renewal on an annual basis. All decisions regarding renewal of memberships shall be in the sole discretion of the Corporation and its Board of Directors.

Section 4. Rights of Members. Members shall have the right to vote, as set forth in these Bylaws, on the election of directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law and these Bylaws.

Section 5. Premiums and Contribution Payments. Each member must pay, within the time and on the conditions set by the Board of Directors, the premiums and contribution payments in amount to be fixed from time to time by the Board of Directors.

Section 6. Termination of Membership. A membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of the member, on reasonable notice to the Corporation;
- (b) Expiration of the term of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- (c) Failure of the member to pay any premiums or contribution payments within thirty (30) days after they become due and payable;
- (d) Cancellation or other termination of each and every policy issued to the member;
- (e) Voluntary or involuntary dissolution of the member or failure of the member to maintain its tax exempt status under Section 501(c)(3) of the Internal Revenue Code;
- (f) Occurrence of any event that renders the member ineligible for membership, or failure to continue to satisfy membership qualifications; or
- (g) Expulsion of the member under Section 8 of this Article III, based on the good faith determination by the Board of Directors, or a committee or person authorized by the Board of Directors to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation.

Section 7. Suspension of Membership. A member may be suspended, under Section 8 of this Article III, based on the good faith determination by the Board, or a Committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation.

When a corporation's membership is suspended, it shall not be a member during the period of suspension.

Section 8. Procedure for Expulsion, Suspension or Termination. If grounds appear to exist for expulsion or suspension or termination of a member under Sections 6(g) or 7 of this Article III, the procedure set forth below shall be followed:

(a) The member shall be given fifteen (15) days' prior notice, by any method reasonably calculated to provide actual notice, of the proposed expulsion, suspension or termination and the reasons therefor. Any notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the Corporation's records.

(b) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed expulsion, suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the expulsion or suspension should take place.

(c) The Board, committee, or person shall decide whether or not the member should be suspended, expelled, terminated or sanctioned in some other way. The decision of the Board, committee or person shall be final.

(d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension, or termination.

Section 9. Transfer of Membership. No membership or right arising from membership may be transferred. All membership rights cease on expulsion, suspension or termination of membership pursuant to Sections 6, 7 and 8 of this Article III.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Place of Meetings and Meeting by Telephone. Meetings of the members shall be held at any place within or outside the State of California designated by the Board of Directors. In the absence of any such designation, members' meetings shall be held at the principal executive office of the Corporation. Any meeting may be held by electronic transmission or electronic video screen communication, as allowed by law and authorized by the Board of Directors.

Section 2. Annual Meeting. An annual members' meeting shall be held each year on a date and at a time designated by the Board of Directors. At each annual meeting, directors shall be elected and any other proper business may be transacted which is within the powers of the members.

Section 3. Special Meetings. A special meeting of the members for any lawful purpose may be called at any time by the Board of Directors, the Chairman of the Board of Directors, the President, or by five (5) percent or more of the members.

A special meeting called by any person (other than the Board of Directors) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the Chairman of the Board or the President or any Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Section 4 of this Article IV, stating that a meeting will be held at a specified time and date fixed by the Board of Directors, provided, however, that the meeting date shall be not less than thirty-five (35) nor more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing in this Section 3 shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the Board of Directors.

No business other than the business the general nature of which was set forth in the notice of the meeting may be transacted at a special meeting.

Section 4. Notice of Meeting. Whenever members are required or permitted to take any action at a meeting, written notice of the meeting, including notice by electronic transmission as allowed by law, shall be given in accordance with this Section 4 to each member entitled to vote at that meeting. The notice shall specify the place, date and time of the meeting, the means of electronic transmission or electronic video screen communication, if any, by which members may participate in the meeting, and (i) in the case of a special meeting, the general nature of the business to be transacted, and a statement that no other business may be transacted, or (ii) in the case of an annual meeting, those matters which the Board of Directors, at the time notice is given, intends to present for action by the members, but, except as provided in Section 5 of this Article IV, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all nominees whose names will appear on the ballot.

Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice of meeting or proper waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a director without cause;
- (b) Filling vacancies on the Board of Directors;
- (c) Amending the Articles of Incorporation;
- (d) Approving a contract or transaction between the Corporation and one or more directors, or between the Corporation and any entity in which a director has a material financial interest; or
- (e) Electing to wind up or dissolve the Corporation.

Notice of any meeting of members shall be in writing or as otherwise allowed by law and shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting. The notice shall be addressed to each member entitled to vote, at the address of that member appearing on the books of the Corporation or at the address given by the member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that member by first-class or telegraphic or other written communication to the Corporation's principal office, or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. An affidavit of the giving of any notice of any members' meeting may be executed by the Secretary, Assistant Secretary, or any transfer agent of the Corporation, and, if so executed, shall be filed and maintained in the Corporation's minute book.

Section 5. Quorum. A quorum for transaction of business at any meeting of members shall be the lesser of (i) five percent (5%) of the members, or (ii) one hundred twenty five (125) members to vote; provided, however, that if any annual meeting is actually attended in person or by proxy or by persons attending by electronic transmission or electronic video screen communication by less than one-third of the voting power, the only matters that may be voted on are those of which notice of their general nature was given under Section 4 of this Article IV. Persons attending by electronic transmission or electronic video screen transmission shall be considered to be attending a members meeting in person, Subject to the first sentence of Section 5, the members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

Section 6. Adjournment. Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting. No meeting may be adjourned for more than forty-five (45) days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

Section 7. Voting. Subject to the provisions of the California Nonprofit Public Benefit Corporation Law, members entitled to vote at any meeting of members shall be members in good standing as of the record date determined under Section 11 of this Article IV. Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member at the meeting before the voting begins. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members, which vote may be cast (i) in person by a person duly authorized by the member's governing body to vote on the member's behalf, or (ii) by proxy. Voting representatives shall register with the secretary of the meeting on or before the commencement of any members' meeting. Cumulative voting is prohibited. If approved by the Board of Directors, and subject to the provisions of the California Nonprofit Public Benefit Corporation Law,

ballots and any related material may be sent by electronic transmission by the Corporation and responses may be returned to the Corporation by electronic transmission.

If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by the California Nonprofit Public Benefit Corporation Law, the Corporation's Articles of Incorporation, or the Bylaws.

Section 8. Waiver of Notice or Consent. The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present either in person or by proxy, and (ii) either before or after the meeting, each member entitled to vote who is not present in person or by proxy signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 4 of this Article IV, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records and made a part of the minutes.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

Section 9. Action by Unanimous Written Consent. Any action required or permitted to be taken by the members may be taken without a meeting, if all members consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members.

Section 10. Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with the provisions of this Section 10. If approved by the Board of Directors, and subject to the provisions of the California Nonprofit Public Benefit Corporation Law, a written ballot may be sent by electronic transmission by the Corporation and responses may be returned to the Corporation by electronic transmission.

The Corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall set forth the proposed action, provide the members an opportunity to specify approval or disapproval of each proposal, provide a reasonable time within which to return the ballot to the Corporation, and provide, subject to reasonable specified conditions, that if the member solicited specifies a choice with respect to any matter, the vote shall be cast in accordance with that specification. Written ballots shall be mailed or delivered in the manner required by Section 4 of this Article IV. All solicitations of votes by written ballot shall (i) indicate the number of responses needed to meet the quorum requirement, (ii) with respect to ballots other than for the election of directors,

state the percentage of approvals necessary to pass the measure or measures, and (iii) specify the time by which the ballot must be received in order to be counted.

In any election of directors, a written ballot that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director.

Approval by written ballot shall be valid only when (i) the number of votes cast by ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

A written ballot may not be revoked.

All written ballots shall be filed with the Secretary and maintained in the corporate records for at least three (3) years.

Section 11. Record Date. For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the Board of Directors may fix, in advance, a record date. The record date so fixed

(a) for notice of a meeting shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting. If not otherwise fixed by the Board of Directors, the record date shall be the business day next preceding the day on which notice is given or, if notice is waived, the business day next preceding the day on which the meeting is held.

(b) for voting at a meeting shall not be more than sixty (60) days before the date of the meeting. If not otherwise fixed by the Board of Directors, the record date shall be the day on which the meeting is held.

(c) for voting by written ballot is (30) days before the day on which the first written ballot is mailed or solicited.

(d) for any other action shall not be more than sixty (60) days before that action. If not otherwise fixed by the Board, the record date shall be the date on which the Board adopts the resolution relation to that action, or the sixtieth (60th) day before the date of that action, whichever is later.

For purposes of this Section 11, a person holding a membership at the close of business on the record date shall be a member of record.

Section 12. Proxies. Each member entitled to vote shall have the right to do so either in person by a person duly authorized by the member's governing body to vote on the member's behalf or by one or more agents authorized by a written proxy, signed by a duly authorized officer of the member and filed with the Secretary. If the Corporation has 100 or

more members, any form of proxy distributed to ten (10) or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the proxy is distributed, to be acted upon at the meeting for which the proxy is solicited, and shall provide, subject to reasonable specified conditions, that where the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, any form of proxy that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

Any proxy covering matters for which a vote of the members is required, including amendments of the Articles of Incorporation; amendments of the Articles of Incorporation or Bylaws changing proxy rights; removal of directors without cause; filling vacancies on the Board of Directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the Corporation's assets, unless the transaction is in the usual and regular course of the Corporation's activities; the principal terms of a merger or the amendment of a merger agreement; the election to dissolve the Corporation; contracts or transactions between the Corporation and one or more directors or between the Corporation and an entity in which a director has a material financial interest; or a plan of distribution of assets other than money to members when the Corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes, shall not be valid unless the proxy sets forth the general nature of the matter to be voted on or, with respect to an election of directors, the proxy lists those who have been nominated at the time the notice of the vote is given to the members.

A validly executed proxy shall continue in full force and effect until (a) revoked by the member executing it before the vote is cast under that proxy, (i) by a writing delivered to the Corporation stating that the proxy is revoked, (ii) by a subsequent proxy executed by that member and presented to the meeting, or (iii) as to any meeting, by the member's attendance and voting at the meeting, or (b) written notice of the dissolution of the maker of the proxy is received by the Corporation before the vote under the proxy is counted, provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy, except that the maximum term of a proxy shall be three (3) years from the date of execution. A proxy may not be irrevocable.

Section 13. Election of Directors. The Board of Directors shall appoint a committee consisting of four (4) persons, one of whom shall be the President of the Corporation, to select qualified candidates for election to the Board of Directors by the members at least one hundred twenty (120) days before the date of any election of directors. The nominating committee shall make its report to the Board of Directors at least ninety (90) days before the date of the election, or at such other time as the Board of Directors may set. All candidates nominated by the Board of Directors must meet the definition of a member-related director or a professional director as set forth in Article V, Section 2 of the Bylaws. The number of member-related director candidates nominated by the nominating committee shall be equal to or greater than the maximum number of member-related directors which may be elected. The number of professional director candidates nominated by the nominating committee shall be equal to or greater than the minimum number of professional directors which may be elected.

One or more nominations also may be made by a petition signed by at least fifteen the lesser of (i) five percent (5%) of the members, or (ii) one hundred (100) members and submitted to any officer of the Corporation at least ninety (90) days before the date of the election. On timely receipt of a petition signed by the required number of members, the nominating committee shall be notified immediately in writing of the names of any candidates nominated by petition who meet the definition of a member-related director or a professional director (as defined in Article V, Section 2 of these Bylaws), and the Secretary shall cause the names of the qualified candidates named in the petition(s) to be placed on the ballot along with the names of those candidates nominated by the nominating committee; provided, however, that the nominating committee may request the Secretary to place the names of one or more candidates who meet the definition of a professional director who were nominated by petition on the ballot in place of the names of one or more of the candidates who meet the definition of a professional director nominated by the nominating committee. The Secretary shall forward to each member, with the notice of meeting required by these Bylaws, a list of all candidates whose names are caused to be placed on the ballot.

Notwithstanding anything contained in this Section 13, if the Corporation has five hundred (500) or more members, but fewer than five thousand (5,000) members, the members shall have those rights with respect to the nomination of candidates as are set forth in subdivisions (b) and (c) of Section 5521 of the California Corporations Code.

Notwithstanding anything contained in this Section 13, if the Corporation has five thousand (5,000) or more members, the members shall have those rights with respect to the nomination of candidates as are set forth in Section 5522 of the California Corporations Code.

The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members about the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for all nominees to solicit votes, and a reasonable opportunity for all members to choose among the nominees.

Without board authorization, no corporate funds may be expended to support a nominee for director after more people have been nominated for director than can be elected.

ARTICLE

V

DIRECTOR

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Section 1. Powers. Subject to the provisions of the California Nonprofit Corporation Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation and these Bylaws relating to actions that require the approval of the members, the business and affairs of the Corporation shall be managed and all powers shall be exercised by or under the direction of the Board of Directors.

Section 2. Number and Qualifications of Directors. The authorized number of directors of the Corporation shall be not less than ten (10) nor more than twenty (20). The President of the Corporation shall be a permanently designated director and shall have all

the same powers, rights and responsibilities of any other director of the Corporation. All other persons on the Board of Directors shall qualify as either "member-related director" or a "professional director" as defined in this Section 2. At all times at least fifty-one percent (51%) of the directors of the Corporation shall be member-related directors and at least three (3) directors of the Corporation shall be professional directors. Both of these minimum numbers of directors are exclusive of the President of the Corporation. The exact number of directors shall, within the limits specified in this Section 2, be determined from time to time by the Board of Directors.

A member-related director is a director who holds a position as an officer, director or employee with management responsibilities of a member of the Corporation. A professional director is a director who has substantial management or professional experience in one or more of the following areas: (i) law; (ii) accounting; (iii) banking; (iv) business; or (v) insurance.

If, after the first annual meeting of members, a member-related director for any reason ceases to be an officer, director or employee with management responsibilities of a member and thereby causes the number of member-related directors to fall below the required minimum number of member-related directors as set forth above, then such person shall immediately cease to be a director and his or her directorship shall become vacant without the necessity of corporate action.

No more than forty-nine percent (49%) of the persons serving on the Board of Directors may be interested persons. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as a director, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 3. Election and Term of Office of Directors

The Board of Directors shall be divided into three (3) groups of approximately equal size. Each group shall serve for a term of three (3) years and such terms shall be staggered so that approximately one-third (1/3) of the directors' terms expire each year. At all times, within each staggered group of directors a minimum of one (1) such director shall be a professional director (as defined in Article V, Section 2 of these Bylaws). Directors shall be eligible for re-election to the Board of Directors. The Board of Directors shall determine the procedure by which the staggering of the terms shall be implemented.

The director candidates in each category (either member-related directors or professional directors) receiving the highest number of votes shall be elected to fill positions on the Board of Directors for that category until such time as the minimum number of directors (as set forth in Article V, Section 2 of these Bylaws) have been elected for each category. The remaining positions on the Board of Directors, if any, shall be filled by those remaining candidates receiving the highest number of votes irrespective of the candidates' category. In the event of a tie vote in an election for the board of directors, a majority vote of

the entire sitting board of directors shall break the tie, except that a director or candidate standing for reelection shall not vote if his or her own seat is under consideration.

Section 4. Vacancies. Vacancies on the Board of Directors may be filled by approval of the Board or, if the number of directors in office is less than a quorum, by (i) the unanimous written consent of the remaining directors; (ii) the affirmative vote of a majority of the remaining directors; or (iii) a sole remaining director, except that a vacancy created by the removal of a director by the vote or written consent of the members or by court order may be filled only by the vote of a majority of the members voting at a duly held meeting at which a quorum is present, or by the written consent of a majority of the members. Each director elected to fill a vacancy shall hold office until the expiration of the term of office of his or her predecessor or until a successor has been elected and qualified.

A vacancy or vacancies on the Board of Directors shall be deemed to exist (i) in the event of the death, resignation or removal of any director, (ii) if the Board of Directors by resolution declares vacant the office of a director who has been declared of unsound mind by an order of court or who has been convicted of a felony, (iii) if the authorized number of directors is increased, (iv) if any member-related director ceases to be an officer, director or employee with management responsibilities of a member of the Corporation under the circumstances described in the second paragraph of Section 2 of this Article V, or (v) if the members fail, at any meeting of the members at which any director or directors are elected, to elect the number of directors to be elected at that meeting.

The members may elect a director at any time to fill any vacancy not filled by the Board of Directors.

Any director may resign effective on giving written notice to the Chairman of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. Place of Meetings and Meeting by Telephone. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such a designation, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place within or without the State of California that has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, at the principal executive office of the Corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at the meeting.

Section 6. Organization Meeting. Immediately following each annual meeting of the members, the Board of Directors shall hold a meeting for the purpose of organization, any

desired election of officers and the transaction of other business. Notice of this meeting shall not be required.

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice.

Section 8. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or any two (2) directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class or priority mail or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the Corporation. In case the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. In case the notice is delivered personally, or by telephone or telegram, it shall be delivered personally or by telephone or to the telegraph company at least forty-eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting or, if the meeting is to be held at the principal executive office of the Corporation, the place.

Section 9. Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article V. Subject to the provisions of Sections 5212, 5233, 5234 and 5235 and subdivision (e) of Section 5238, every act or decision taken or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 10. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the Corporation's records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement the lack of notice to that director.

Section 11. Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 12. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given, before the

time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

Section 13. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 14. Fees and Compensation of Directors. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be fixed or determined by resolution of the Board of Directors. This Section 14 shall not be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise, and receiving compensation for those services.

Section 15. Appointment of Committees. The Board of Directors may, by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present, designate an Executive Committee and one (1) or more other committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board of Directors.

The Board of Directors may designate one (1) or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the authorized number of directors. Any such committee, to the extent provided in the resolution of the Board of Directors or in these Bylaws, shall have all the authority of the Board of Directors, except with respect to : (i) the approval of any action for which approval of the members or approval of a majority of all members is required by law; (ii) the filling of vacancies on the Board of Directors or in any committee which has the authority of the Board of Directors; (iii) the fixing of compensation of the directors for serving on the Board of Directors or on any committee; (iv) the amendment or repeal of Bylaws or the adoption of new Bylaws; (v) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; (vi) the appointment of other committees of the Board of Directors or the members thereof; (vii) the expenditure of corporate funds to support a nominee for director after there are more people nominated for directors than can be elected; and (viii) the approval of any self-dealing transaction, except as provided in paragraph (3) of subdivision (d) of Section 5233 of the California Corporations Code.

Unless the Board of Directors shall otherwise provide, regular meetings of any committee appointed pursuant to this Section 15 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee no further notice of such regular meetings need be given thereafter; special meetings or any such committee may be held at the principal executive office of the Corporation, or at any place which has been designated from time to time by resolution of such committee or by written consent of all members thereof, and may be called by the Chairman of the Board, the President and any Vice President who is a member of such committee, or by any two (2) members thereof, upon

written notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of written notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. A majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business.

Pursuant to this Section 15, and in addition to any other committees the Board may designate from time to time, the Board may designate the following committees: underwriting; claims; investment/audit; and risk management. The duties of each such committee shall be specified by the Board of Directors.

ARTICLE

VI

OFFICERS

Section 1. Officers. The officers of the Corporation shall be a Chairman of the Board, a President, a Secretary, and a Treasurer who shall be the chief financial officer. The Corporation may also have, at the discretion of the Board of Directors, one (1) or more Vice Presidents, one (1) or more Assistant Secretaries, one (1) or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article VI. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President or Chairman of the Board.

Section 2. Election of Officers. The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article VI, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Subordinate Officers. The Board of Directors may appoint, and may empower the President to appoint, such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

Section 4. Removal and Resignation of Officers. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board or by any officer on whom the Board may, and does, confer that power of removal.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect as of the date of the receipt of that notice or at any later time specified in that notice and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 5. Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

Section 6. Chairman of the Board. The Chairman of the Board, shall, if present, preside at all meetings of the members and at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by these Bylaws.

Section 7. President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, the President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and the officers of the Corporation. He or she shall preside, in the absence of the Chairman of the Board, at all meetings of the members and of the Board of Directors. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 8. Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors, or if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them by the President, the Chairman of the Board, the Board of Directors or these Bylaws.

Section 9. Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors and members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present or represented at the members' meetings and the proceedings.

The Secretary shall keep or cause to be kept, at the principal executive office or at the office of the Corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a record of members, or a duplicate record, showing the names of all members, and their addresses.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by these Bylaws or by law to be given, shall keep the seal of the Corporation, if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 10. Treasurer. The Treasurer, who shall be the chief financial officer, shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and interests. The books of account shall at all reasonable times be open to inspection by any director.

The chief financial officer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The chief financial officer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and Board of Directors, whenever either requests it, an account of all of his or her transactions as chief financial officer and of the financial condition of the Corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS,

OFFICERS,

EMPLOYEES AND OTHER AGENTS

Section 1. Definitions. For purposes of this Article, the following definitions shall apply:

(a) "Agent" shall mean any person who (i) is or was a director, officer, employee or other agent of this Corporation, or (ii) is or was serving at the request of this Corporation as a director, officer, employee or other 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 of the Corporation or of another enterprise at the request of such predecessor corporation;

(b) "Proceeding" shall mean any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) "Expenses" shall include, without limitation, all attorneys' fees, costs and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of such agent's position or relationship as agent and all attorneys' fees, costs and other expenses incurred in establishing a right to indemnification under subdivision (e) of Section 5238 of the California Corporations Code.

Section 2. Indemnification and Insurance. The Corporation shall, to the maximum extent permitted by law, indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any proceeding arising by reason of the fact that any such person is or was an agent of the Corporation.

On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238 (c) of the California Corporations Code, the Board of Directors shall promptly determine under Section 5238 (e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board of Directors shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of members. At that meeting, the members shall determine under Section 5238 (e) whether the applicable standard of conduct set forth in Section

5238 (b) or Section 5238 (c) has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under this Section 2 in defending any proceeding shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

The Board of Directors may authorize the purchase and maintenance by the Corporation of insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Corporation is empowered to indemnify the agent against such liability under the provisions of this Article VII; provided, however, that the Board of Directors shall have no power to authorize the purchase and maintenance by the Corporation of such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Corporations Code.

ARTICLE VIII

RECORDS AND REPORTS

Section 1. Maintenance and Inspection of Articles and Bylaws. The Corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members at all reasonable times during office hours.

Section 2. Maintenance and Inspection of Other Corporate Records. The Corporation shall keep adequate and correct books and records of account; written minutes of the proceedings of its members, Board, and committees of the Board; and a record of each member's name and address. All such records shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Corporation shall turn over to his or her successor or the President, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the Corporation as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. The inspection may be made in person or by the director's agent or attorney, and shall include the right to copy and make extracts of documents.

On written demand on the Corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of proceedings of the

members, the Board, and committees of the Board at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney.

Subject to Division 2, Part 2, Chapter 13, Article 3 (commencing at Section 6330) of the California Corporations Code and unless the Corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

(a) Inspect and copy the records of members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the Corporation, which demand must state the purpose for which the inspection rights are requested; or

(b) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of members who are entitled to vote for the election of directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the member on or before the later of ten (10) days after (i) the demand is received or (ii) the date specified in the demand as the date as of which the list is to be compiled.

The Corporation may, within ten (10) business days after receiving a demand under this Section 2, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand.

If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section 2, it may deny the member access to the membership list.

Any inspection and copying under this Section 2 may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the Corporation.

Section 3. Annual Report. The Board of Directors shall cause an annual report to be prepared within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail for the fiscal year:

(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.

(b) The principal changes in assets and liabilities including trust funds.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.

(d) The expenses or disbursements of the Corporation for both general and restricted purposes.

(e) Any information required by Section 4 of Article VIII of these Bylaws.

The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives less than Twenty-five Thousand Dollars (\$25,000) in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to any member who requests it in writing.

Section 4. Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all members, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail or deliver to each member and furnish to its directors a statement of any transaction or indemnification of the following kinds within one hundred twenty (120) days after the end of the Corporation's fiscal year:

(a) Any transaction (i) in which the Corporation, its parent, or its subsidiary was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than Fifty Thousand Dollars (\$50,000), or was one of a number of transactions with the same interested person involving, in the aggregate, more than Fifty Thousand Dollars (\$50,000). For this purpose, an "interested person" is either of the following:

(1) Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or

(2) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with the partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,00) paid during the fiscal year to any officer or director of the Corporation under Sections 1 and 2 of Article VII of these Bylaws, unless that indemnification has already been approved by the members under Section 5238 (e)(2) of the California Corporations Code.

ARTICLE IX

GENERAL

MATTERS

Section 1. Checks, Drafts, Evidences of Indebtedness. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Corporation shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

Section 2. Contracts and Instruments; How Executed. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and this authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be as the Board of Directors shall from time to time determine.

ARTICLE X

AMENDMENT

S

Section 1. Amendment by Board. Subject to the rights of members under Section 4 of this Article X, the Board of Directors may adopt, amend or repeal these Bylaws unless the action would materially and adversely affect the members' rights as to voting or transfer. The Board may not extend the term of a director beyond that for which the director was elected.

Section 2. Changes to Number of Directors. Once members have been admitted to the Corporation, the Board of Directors may not, without the approval of the members, specify or change any Bylaw provision the would:

- (a) Fix or change the authorized number of directors;
- (b) Fix or change the minimum or maximum number of directors; or
- (c) Change from a fixed number of directors to a variable number of directors or vice-versa.

Section 3. High Vote Requirement. If any provision of these Bylaws requires the vote of a larger proportion of the Board of Directors than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

Section 4. Members Approval Required. Without the approval of the members, the Board of Directors may not adopt, amend, or repeal any Bylaws that would:

- (a) Increase or extend the terms of directors;
- (b) Allow any director to hold office by designation or selection rather than by election by the members;
- (c) Increase the quorum for members' meetings;
- (d) Repeal, restrict, create, expand or otherwise change proxy rights; or
- (e) Authorize cumulative voting.

Section 5. Amendment by Members. New Bylaws may be adopted, or these Bylaws may be amended or repealed, by approval of the members, provided, however, if the Corporation has more than one class of voting members, any amendment that would materially and adversely affect the rights of a class as to voting or transfer, in a manner different than the action affects another class, must be approved by the members of that adversely affected class. Any provision of these Bylaws that requires the vote of a larger proportion of the members than otherwise is required by law may not be altered, amended, or repealed except by the vote of the greater number. No amendment may extend the term of a director beyond that for which the director was elected.

Any provision of these Bylaws providing for the designation or selection, rather than election of any director or directors may be adopted, amended, or repealed only by approval of the members, subject to the consent of the person or person entitled to designate or select any such directors.

Adopted as of December 5, 2019

Secretary

A handwritten signature in black ink, appearing to read "J. Jeff Fly", is written over a horizontal line. The signature is stylized and cursive.