FIFTH AMENDED AND RESTATED BYLAWS

OF

THE SURPLUS LINE ASSOCIATION OF COLORADO, INC.

(A Colorado Non-profit Corporation)

*Effective October 1, 2020*

ARTICLE I

Offices

1. Business Office: The principal office of the Corporation shall be in Golden, Colorado. The Corporation may also have oneor more offices at such other place or places within or without the State of Colorado as the Board of Directors may from time to time determine or as the business of the Corporation may require.
2. Registered Office: The registered office of the Corporation shall be as set forth in the Articles of Incorporation, unless changed by the Colorado Business Corporation Act.

ARTICLE II

Function

1. This Corporation is a voluntary, non-profit association incorporated under the laws of the State of Colorado, and no part of its earnings shall inure directly to the benefit of any director or individuals.
2. The Corporation shall maintain a Surplus Lines Office, employ

such personnel and maintain such facilities as may be necessary to:

* 1. Encourage compliance with the laws of this State and the Rules and Regulations of the Insurance Commissioner relative to Surplus Lines Insurance;
  2. Cooperate with organizations of admitted insurers, independent agents and brokers for the proper use of the surplus lines market;
  3. Receive and disseminate information relative to surplus Iine coverage.
  4. Provide education to insurance professionals the public and other interested parties regarding surplus lines insurance or issues pertaining thereto.
  5. Encourage participation in the surplus lines industry by students.

1. The Board of Directors shall have full power to act in all matters relating to the Surplus Lines Office.

Article III

Board of Directors

1 Election and Tenure: The business and affairs of the corporation shall be managed by a Board of Directors. Directors shall hold office until their successors have been elected and have qualified. The term shall commence immediately following the election. The term of the initial individual directors shall be determined by the Board at its organizational meeting. The board shall have the authority to remove any board member because of conduct or behavior detrimental to the surplus lines industry or the activities of the Association. Such removal shall be caused by a majority vote of the board and be effective immediately.

2 Number and Qualification: The Board of Directors shall consist of a minimum of five (5) members or a larger number as provided in the Articles of Incorporation. In no event shall one company have more than one board member.

3 Nomination of Directors:

A new member to the board may be nominated by any board member. Following such nomination a discussion regarding the relative qualifications of the proposed member shall take place among the board. If it is determined that the proposed member is a qualified candidate that person shall attend the next meeting of the board. Subsequently a vote shall be taken. Election to the board shall be accomplished by a unanimous vote of those board members that attended the aforementioned meeting.

4 Vacancies: Any vacancy occurring in the Board of Directors may be filled by the affirmative vote by a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote of a majority of directors then in office.

5 Compensation of Directors: Directors shall not receive compensation for their services as a director. However, all directors may be allowed a fixed sum and expenses incurred for attendance at each regular or special meeting of the Board of Directors as may from time to time be fixed by resolution of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE IV

Officers

1. Election and Tenure: The Board may elect or appoint such other officers and assistant officers as maybe determined by the Board. Any two or more offices may be held by the same person. Each officer of the corporation shall be elected by the Board of Directors as may be described in the Articles of Incorporation or these By-laws. Each officer shall be a director of the corporation. Each officer shall hold office until his successor shall have been duly elected or until his/her death, resignation or removal, or until he shall cease to be a director of the corporation.
2. The election of officers shall take place every two years at the first meeting of the board during the calendar year beginning 2020
3. Resignation. Removal and Vacancies: Any officer may resign at any time by giving written notice thereof to the Board of Directors or to the President. Such resignation shall take effect on the date specified therein and no acceptance of the same be necessary to render the same effective.

Any officer may at any time be removed by the affirmative vote of a majority of the number of directors specified in paragraph two (2) of Article III of these By-laws thereunto duly authorized.

If any office becomes vacant for any reason, the vacancy may be filled by the Board of Directors. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

1. President: The President shall be the chief executive officer of the corporation. He shall preside at all meetings and shall have general and active management of the business affairs of the corporation. He shall see that all orders and resolutions of the Board of Directors are carried into effect and in general shall perform all duties as may from time to time be assigned to him by the Board of Directors.
2. Vice-President: The Vice-President shall perform such duties and possess such powers as from time to time may be assigned to him by the Board of Directors, or by the President. In the absence or inability of the President, the Vice­ President shall perform the duties of the President.

6 Treasurer:. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation and administer such funds in the name of the corporation in such banks or other depositories as shall be selected by the

Board of Directors. In general, the Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Directors or by the President.

ARTICLE V

Administration of the Association

1. The Board of Directors shall appoint an Executive Director.
2. The Executive Director shall have power and authority;
   1. To interpret the By-laws and rules and regulations of the association.
   2. Maintain the records of the Association
   3. Deposit and remit such funds as required for the operation of the Association as authorized by the Treasurer.
   4. Act on behalf of the Association in such meetings as may be deemed necessary

ARTICLE VI

Committees

The Board of Directors may appoint any committees it deems necessary to properly carry on the business of the Corporation and shall fix the number, terms of office and duties of their respective members; provided, however, that any such committee shall have a minimum of two (2) members. If an Executive Committee is appointed, the committee shall consist of the President, the immediate past President of the corporation, the Vice-President and the Treasurer. These committees are to be used to study certain facets of the total operation of the corporation and make recommendations to the Board of Directors for action. The Board of Directors shall appoint as members of such committees any person felt best qualified by the Board of Directors to serve on the specified committee. The Board of Directors shall designate one of the members of each such committee as its chairperson for such period of time as shall be established and revised, from time to time, by the Board of Directors. Any such committee may be discharged at any time by the Board of Directors from further consideration of any matter previously submitted to it for study.

Article VII

Meetings

1. Regular Meetings: Regular meetings of the Board of Directors shall be held at such time or times as may be determined by the Board of Directors and specified in the notice of such meeting.
2. Special Meetings: Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director, either personally, by mail, by electronic mail, or by telephone, and shall be called by the president or Secretary in like manner and on like notice on the written request of any two directors. The purpose of a special meeting of the Board of Directors need not be

stated in the notice thereof.

1. Place of Meetings: Any meeting of the Board of Directors may

be held at such place or places either within or outside of the Slate of Colorado as shall from time to time be determined by the Board of Directors or by the President and designated in the notice of the meeting.

Meetings may also be held on a virtual basis and any agreements or decisions made during such meetings shall be considered as if the board had met in person.

1. Quorum: A majority of the number of directors fixed by paragraph two(2) of this Article III shall constitute a quorum at all meetings of the Board of Directors, and 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. In the absence of a quorum at any such meeting, a majority of the Directors present

may adjourn the meeting from time to time without further notice until a quorum shall be present.

5 Fact Finding: The Board of Directors shall from time to time make, or cause to be made, investigation of the insurance market for the purpose of conveying information to interested parties.

ARTICLE VIII

Notices and Action Without Meeting

1. Notices: Whenever under the provisions of a statue or of the Articles of lncorporation of these By-laws, notice of required meeting to be given to any director it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, postage prepaid, or electronic mail and addressed to such director or member at such address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.
2. Waiver of Notice: Whenever any notice whatever is required to be given under the provisions of a statute or of the Articles of lncorporation, or by those By-laws, a Waiver thereof in writing, signed by the person or persons entitled to said notice, whether before, at or after the time stated therein, or the appearance of such

person or persons at such meeting, or in the case of a membership meeting, by proxy, shall be deemed equivalent thereto.

1. Action Without a Meeting: Any action required, or which may be taken at a meeting of the directors of the corporation, may be taken without a meeting if a consent, setting forth the action so taken, shall be approved by all of the directors

entitled to vote with respect to the subject matter thereof.

ARTICLE IX

Income and Disbursements

1. The Association shall receive income from various sources and will use such income in accordance with these By-laws or other documents as approved by the Board of Directors.
2. The Association shall be entitled to retain any interest and/or

dividend income and shall have full discretionary power over such funds.

1. Funds of the Association shall be deposited in its name in a bank or banks domiciled in the Stale of Colorado designated by the Board of Directors.
2. Disbursements from the funds of the Association shall be subject to approval of the Board of Directors. The Treasurer shall keep, or cause to be kept, a record of all receipts and disbursements. The Board of Directors may employ a public accountant to audit the accounts of the Association,
3. The officers, the members of the Board of Directors, and employees of the Association may be bonded in such sums as the Board of Directors may specify. The premium on such bonds shall be paid by the Association.

6. The board of Directors may authorize the Association to pay expenses incurred by, or to satisfy a judgement or fine rendered or levied against a present or former board member of the Association in an action brought against such person (whether or not the Association is joined as a party defendant) to impose a liability or penalty on such person for an act alleged to have been committed by him, whether a member of a committee or not, or by the Association, or by both; provided that the Board of Directors determines in good faith that such board member was acting in good faith within what he reasonably believed to be in the best interests of the Association or its members. Payments authorized hereunder shall include amounts paid and expenses incurred in the settlement of any such action or threatened action.

ARTICLE X

Indemnification

The corporation shall indemnify any and all of its directors, officers (including Executive Director), or former directors or officers, against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or officers, or a director or officer of the corporation, except in relation to matters as to which any such director or officer or former director or person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any Bylaw, agreement, vole of the membership, or otherwise.

ARTICLE XI

Execution of Instruments

1. Execution of Instruments: The President shall have power to execute on behalf and in the name of the corporation any deed, contract, bond, debenture, note or other obligations or evidences of indebtedness, or proxy, or other instrument requiring the signature of an officer of the corporation, except where the signing and

execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the corporation in any way, to pledge its credit, or to render it liable in a pecuniary fashion for any purpose or in any amount.

1. Checks and Endorsements: All checks and drafts upon the funds to the credit of the corporation in any of its depositories shall be signed by such of its officers or agents as shall from time to time be determined by resolution of the Board of Directors which may provide for the use of facsimile signatures under specified conditions, and all notes, bills receivable, trade acceptances, drafts and other evidences of indebtedness payable to the corporation shall, for the purpose of deposit, discount or collection, be endorsed by such officers or agents of the corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

ARTICLE XII

Corporate Books and Records

Except as otherwise required by statute, the books and records of the corporation may be kept within the State of Colorado at such place as may be from time to time designated by the Board of Directors.

ARTICLE XIII

Emergency By-laws and Amendments

1. Emergency By-laws: The Board of Directors may adopt emergency By-laws, which shall, notwithstanding any different provisions elsewhere, be operative during any declared emergency and may make any provision that may be practical and necessary for the circumstances of the emergency.
2. Amendments: All By-laws of the corporation shall be subject to alteration, amendment or repeal, and new By-laws may be added by the affirmative vote of a majority of a quorum of the members of the Board of Directors at any regular or special meeting.

ARTICLE XIV

Dissolution

If the Corporation is dissolved, the Board of Directors shall have the power and authority to collect all accounts, assets, or funds belonging to the Corporation; pay debts and obligations of the Corporation; and sell, transfer, and convey any good will which may have accrued to the Corporation. Any excess funds after fulfillment of all obligations of the Corporation or other assets shall be utilized for the furtherance of the objects and purposes stated in Article Three, and shall be distributed only for tax exempt purposes to one or more organizations that are exempt from federal income tax under Section 501(c)(6) of the Federal Tax Code and no payment, distribution, or transfer shall be made upon dissolution that would cause the Corporation to fail to qualify as an organization described in Section 501(c)(6) of the Federal Tax Code or its Regulations.