

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

**OF**

**THE SURPLUS LINE ASSOCIATION OF IDAHO, INC.**

97 OCT -3 AM 8:39  
SECRETARY OF STATE  
STATE OF IDAHO

The undersigned officer of THE SURPLUS LINE ASSOCIATION OF IDAHO, INC., does hereby certify, pursuant to the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code, that a meeting of the Board of Directors of said corporation held on February 15, 1997 adopted and approved a resolution to amend and restate the articles and is set forth herein, and that at a meeting of the members of said corporation held on August 18, 1997, at which the undersigned presided, the resolution to amend and restate was adopted, and the Articles of Incorporation were amended and restated in the following respects: Article II has been amended to identify the street address of the corporation's registered office and the name of the current registered agent. Article IV, setting forth the purposes and powers of the corporation has been amended for clarity, to correct references to the Internal Revenue Code, to remove inappropriate restrictions on certain powers of the corporation, and to add appropriate restrictions on other powers; Article VII has been modified to provide, consistent with current law, that the bylaws may be amended by a majority of a quorum or by eighty percent (80%) of the members through written consent, rather than requiring a majority of the entire membership to do so; and a new Article X covering distributions in dissolution has been created in lieu of former Article IV § 12.

These Amended and Restated Articles of Incorporation have received the approval of the Director of the Department of Insurance and the approval of the members of the corporation. At the time of such adoption, there were one hundred twenty-five (125) members of the corporation. At the meeting of the members on August 18, 1997 for which notice was duly given, there were twenty-five (25) members present. Twenty-five (25) members voted for the amendment and there were no votes against the amendment.

The following are the Amended and Restated Articles of Incorporation which amend and supersede the original Articles of Incorporation and all amendments thereto in their entirety:

Article I Name.

The name of the Corporation shall be The Surplus Line Association of Idaho, Inc.

IDAHO SECRETARY OF STATE

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## Article II Period of Duration

The period of duration of the Corporation is perpetual.

## Article III Registered Office and Agent

The registered office of the corporation is 595 South 14th Street, Boise, Idaho 83702 and the name of its current registered agent is Wendy Tippetts. The corporation may change its registered office or its registered agent in the manner prescribed by law.

## Article IV Purposes

The objects and purposes for which this corporation is formed are that of a business league not organized for profit as described in Section 501(c)(6), Internal Revenue Code, such objects and purposes being:

1. To facilitate and encourage compliance by licensed surplus line brokers who are members of the corporation, and insofar as possible by non-members, with the laws of Idaho and the rules and regulations of the Director of the Department of Insurance of the State of Idaho relative to surplus lines insurance, and to discourage and prevent violations of said laws, rules and regulations.
2. To encourage fair dealing among members and with the public and admitted insurance carriers in the State of Idaho.
3. To the extent permitted by law, to cooperate with recognized organizations of admitted insurance carriers for the proper use of the surplus line market by members of the corporation and, as far as possible, by non-members.
4. To provide means for the examination of all surplus line coverage written by members on Idaho risks, to determine whether such coverages comply with such laws and regulations.
5. To receive and disseminate to members information that may legally be disseminated about surplus coverages, and laws, rules, regulations and the interpretation or application thereof, and information about such other surplus line matters as may be legal and of value and interest to the members.
6. To receive from any and all available sources funds for the development and furtherance of the objects and purposes enumerated herein.

7. To hold title, legal or equitable, to property of any nature in trust for itself or for carrying out of any purpose incidental to its powers, and to sell or encumber any such property, real or personal.

8. To solicit, receive and expend any fees, donations, bequests and legacies for any purpose for which this corporation is formed.

9. To enter into such contracts and to incur such obligations as are consistent with its powers, objects and purposes, but the private property of the officers, directors and members of the corporation shall be exempt from the debts of the corporation, and no officer, director or member shall be individually or collectively liable or responsible for any debts or liabilities of the corporation.

10. To qualify as a business league, not organized for profit, no part of the net earnings of which shall inure to the benefit of any private shareholder or individual, so that it shall be exempt from taxation and particularly Federal Income Taxation under Section 501(c)(6), Internal Revenue Code, 1986, and any amendments thereto.

11. No part of the monies, properties or assets of this corporation, upon dissolution or otherwise, shall inure to the benefit of any private person or individual or any member of this corporation, except as such member may be a corporation organized and operated exclusively as a business league, not organized for profit and which is exempt from taxation, and particularly the Federal Income Tax. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted by an organization exempt from Federal Income Tax under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

12. The foregoing clauses shall be construed both as objects and powers, and the foregoing enumeration of specific objects and powers shall not be construed to limit or restrict in any manner the powers of this corporation, but said corporation shall have the power to do all and everything necessary, suitable, convenient or proper for the accomplishment of its purposes, for the attainment of any one or more of its objects hereinabove enumerated, or incidental to the purposes and objects hereinafter named, and which are permitted under the laws of the State of Idaho under which this corporation is organized, to the same extent and as fully as a natural person might or could do; provided, that this corporation shall not have the power to conduct, and shall not conduct activities not in furtherance of purposes of a business league, as defined in Section 501(c)(6), Internal Revenue Code, 1986.

13. To exercise all powers granted by law necessary and proper to carry out the foregoing purposes, including, but not limited to, the power to accept donations of money, property,

whether real or personal, or any other things of value. Nothing herein contained shall be deemed to authorize or permit the Corporation to carry on any business for profit, to exercise any power, or to do any act that a corporation formed under the Act, or any amendment thereto or substitute therefor, may not at that time lawfully carry on or do.

#### Article V Board of Directors

The governing body of this corporation shall be managed and conducted by a Board of Directors of not less than three (3) persons, the exact number of persons to serve on such Board to be specified in the Bylaws.

#### Article VI Place of Meetings

The Board of Directors of this corporation may meet and transact the business hereof either at the principal place of business herein designated, or at such other place as may be designated by resolution of the Board of Directors.

#### Article VII Amendment of Bylaws

The Bylaws of this corporation may be repealed, amended, altered, or new Bylaws adopted at any annual meeting, or at any special meeting of members called for that purpose, by a vote representing not less than a majority of any quorum or by the written consent, duly acknowledged in the same manner as conveyances of real property are required to be acknowledged, of eighty percent (80%) of the members, which written consent may be in more than one instrument. Furthermore, the Board of Directors of this corporation shall have the power to repeal, amend and alter the Bylaws of the corporation, and to adopt new Bylaws, by vote of not less than a majority of the members of said Board of Directors; provided, that the Board of Directors shall not make or alter any Bylaws fixing the qualifications, classification, term of office or compensation of the members of such Board.

#### Article VIII Membership

This corporation shall be organized without capital stock, but with membership certificates in such form as may be adopted and approved by the Board of Directors. Membership in the corporation shall not entitle a person to any interest whatsoever in the assets of the corporation, but only to participate in the management of the affairs of the corporation, in meetings of the members legally called and held within the period covered by the membership. The rights of all members shall be equal, and no member can have or acquire a greater interest herein than that of any other member. Membership in the corporation shall be renewed as provided in the Bylaws and membership certificates cannot be assigned except as provided in the Bylaws.

### Article IX Fees

Fees for admission, assessments or dues to carry on the business of the corporation and reimbursement for services rendered and expenses incurred by the corporation for its members, the time of payment and manner of collecting amounts due and for forfeiture of the interest of a member in the corporation for non-payment thereof shall be provided in the Bylaws of the corporation.

### Article X Distribution on Dissolution.

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation, in such manner or to such organization or organizations organized and operated exclusively for purposes as outlined in these articles and shall at the time qualify as an exempt organization or organizations under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the District Court of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

The foregoing amendments were approved at a meeting of the board of directors for which notice was duly given and quorum was present held on the 15th day of February, 1997.

DATED effective the 18th day of August, 1997.

THE SURPLUS LINE ASSOCIATION OF IDAHO, INC.

By



James Welch  
Its President