

UNITED SPECIALTY AGENTS ALLIANCE, INC.,

A Georgia nonprofit corporation

BYLAWS

TITLE I GENERAL PROVISIONS

1.1. Purpose of Bylaws. These Bylaws constitute the code of rules for the regulation and management of **UNITED SPECIALTY AGENTS ALLIANCE, INC.**, as authorized by its Articles of Incorporation. As used in these Bylaws, this corporation is referred to as the "Corporation," and the Georgia Nonprofit Corporation Code (or a section codified in Chapter 3 of Title 14 of the Official Code of Georgia Annotated) is referred to as the "Code." These Bylaws are adopted in order to fulfill the objectives of the Corporation as stated in its Articles, Bylaws, and O.C.G.A. § 14-3-301, and to exercise the powers conferred upon the Corporation under O.C.G.A. § 14-3-302.

1.2. Registered Office and Agent. The Board of Directors will designate a registered agent and registered office for service of legal process; these designations are to be filed with the Georgia Secretary of State as required by the Code. The Board may change these designations at any time. In the event the Board fails to make a designation, or a registered agent resigns without a new designation of a registered agent and office, then the President of the Corporation, and the President's address, are to be filed with the Georgia Secretary of State as the registered agent and office of the Corporation until the Board of Directors makes some other affirmative designation.

1.3. Business Office(s) Authorized. Either the Board of Directors or the membership of the Corporation, pursuant to Section 3.8 (Membership; Voting), may establish one or more offices for the conduct of business within this state, whenever circumstances warrant.

1.4. Procedural rules at meetings. It is understood that in the transaction of its business, the meetings of the Corporation, its Board of Directors and its committees may be conducted with informality; however, this informality does not apply to procedural requirements in the Articles of Incorporation, these Bylaws, or the Code. When circumstances warrant, any meeting or portion of a meeting will be conducted according to generally understood principles of parliamentary procedure as stated in the Articles of Incorporation, these Bylaws, or a recognized procedural reference authority. The procedural reference authority for the Corporation is designated as the latest edition of *Robert's Rules of Order, Newly Revised*.

1.5. Computation of Members Eligible to Vote or Act as of "Record Date." When any matter is proposed to be acted upon by the members of the Corporation as provided in these

Bylaws or under the Code, only those members who are active and in good standing as to any particular matter as of the "Record Date" (as defined below), may vote or otherwise act as to that particular matter. As required by the Code, the Secretary shall prepare a list of members qualified to participate on a particular matter as of the "Record Date" for that particular matter. Each list is to be available for inspection or copying by any member, the member's agent or attorney, as provided by the Code. The "Record Date" for:

(1) any meeting of the membership of the Corporation, is that date that is ten (10) days prior to the scheduled date of the particular meeting.

(2) any mail ballot, including mail ballots for the election of directors, is the date the ballots are mailed by the Corporation to the members who are active and in good standing as of that date.

(3) executed consents that document the approval of actions by the membership is the date that such a consent is executed by the first member giving his or her consent, and a sufficient number of members must execute their consents approving the particular action within seventy (70) days after the date the first member signed.

(4) a demand of members to call a meeting of the membership, or to request a mail ballot to vote on a proposition, is that date a documented demand or request is executed by the first member that approves of the demand or request, and a sufficient number of members must execute their request or demand within seventy (70) days after the date the first member signed.

1.6 Objectives. The Corporation does not contemplate pecuniary gain or profit or the distribution of gains, profits, or dividends to any class of its members. The Corporation is organized as a business league. As defined under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "IRC Code"), a business league is an association of persons having a common business interest, whose purpose is to promote the common business interest and not to engage in a regular business of a kind ordinarily carried on for profit. Its activities are directed to the improvement of business conditions of one or more lines of business rather than the performance of particular services for individual persons. In addition, the Corporation is formed for the following purposes:

- (a) To encourage communications among its members by providing for the exchange of information concerning the specialty insurance market;
- (b) To promote relationships within the specialty property and casualty insurance market;
- (c) To support and promote the specialty insurance line of business within the meaning of Section 501(c)(6) of the IRC Code; and
- (d) To communicate with other segments of the insurance industry for the support and promotion of the business of specialty insurance line of business.

TITLE 2 MEMBERSHIP

2.1. Eligibility for Regular Membership. Regular Membership in the Corporation is open to any specialty wholesale managing general insurance agency (“MGA”): (1) that is independently/family owned and operated; (2) that upholds a professional image with the highest level of respect and integrity in the industry; (3) who has paid the requisite fees and dues; (4) that adheres to the goals and purposes of the Corporation and complies with the Corporation’s code of ethics (if any); and (5) that meets any other requirements for eligibility contained in the Corporation’s Membership Procedures, as adopted from time to time (hereafter the “Membership Procedures”). Active members in good standing may exercise voting rights in the Corporation, as defined in this Title 2 of the Bylaws. The specialty insurance entity, and not its individual owners, shall be considered the Regular Member.

2.2. Application and election to Regular Membership. Any MGA interested in election to Regular Membership in the Corporation will submit a completed application for membership in a format adopted by the Board of Directors. Should the application satisfy the requirements for election to Regular Membership in the Corporation, the applicant shall tender payment of the initial dues (as specified in Section 2.6 of these Bylaws), to the Treasurer. Upon receipt of the initial dues, the Secretary will promptly certify the application for election to the Corporation. Whenever an issue concerning the application for election to membership of any entity arises, that application and any other pertinent information is referred to the Board of Directors for action, subject to further review or direction by the membership of the Corporation in accordance with the Membership Procedures.

2.3. Number of Regular Members. The number of Regular Memberships shall be limited to thirty (30), unless otherwise provided by the members.

2.4. Good Standing and Active Status. In order to be an active member in good standing, qualified to act in the business of the Corporation, each Regular Member must have paid the Corporation's annual dues and any other approved assessments for the current calendar year to the Treasurer and otherwise comply with the Membership Procedures. Annual dues are due on January 1 of each year; however, payment of annual dues and any other approved assessments is considered timely if made by March 1 of each year. Only active members in good standing shall have the right to vote, each member having one (1) vote.

2.5. Suspension from Active Status; Termination.

(1) Any membership whose annual dues or other approved assessments are not received by the Treasurer by the due date will be considered delinquent, and will not be in good standing until the annual dues or other approved assessments in arrears are paid to the Corporation. If payment is not made by July 1 that particular membership will be automatically suspended by the Secretary, and the member’s suspension will be noted on the membership roster without further notice. Any member who has been suspended shall have no voting rights, and remains

obligated to the Corporation for any charges, assessments, dues, fees or other amounts that are outstanding as of the date the membership is suspended.

(2) Any membership may be terminated only for stated "Cause" (as defined below), in addition to failure to pay membership dues, only by a procedure that is fair, reasonable and carried out in good faith. "Cause" shall include, but not be limited to, violation of these Bylaws or violation of any applicable code of ethics or professional standards of conduct. Motions to terminate membership shall be initiated by the Board of Directors, and must be approved by a two-thirds (2/3) affirmative vote of the members of the Corporation provided a quorum of fifteen (15) or more members is present. At least fifteen (15) days prior to the membership meeting at which the Board plans to present its motion for termination, the Board shall send a notice by first class certified mail, return receipt requested, or by recognized overnight courier, to the person whose membership it proposes to terminate, advising that member of the intended action, stating the reasons termination of membership is proposed, and providing to the member a full opportunity to respond to the notice provided by the Board, and for the right to be heard by the membership before any vote is taken. Any termination of a member approved by the members of the Corporation shall not take effect for five (5) days after the membership vote to approve the termination. Any member who has been so terminated shall remain obligated to the Corporation for any charges, assessments, dues, fees or other amounts that are outstanding as of the date the membership is terminated. Members may not be terminated without Cause.

2.6. Dues Assessment.

(1) The initial dues paid following the acceptance of the application for election to Regular Membership shall be in the amount provided in the Membership Procedures.

(2) The annual dues paid by each Regular Membership for each calendar year following the initial dues shall be determined by the Board of Directors from time to time.

(3) Dues are non-refundable and not pro-rated.

2.7. Resignation from Membership. Any member of the Corporation may resign their membership in the Corporation by the submission of a written notice to the Secretary, with no refund, rebate, or rescission of dues. Any member who resigns from membership remains obligated to the Corporation for any charges, assessments, dues, or other amounts that are outstanding as of the date the member resigns.

2.8. Sale or Merger of a Member. The Membership Procedures provide what happens to a member's membership upon the sale of a member's assets or equity interests or upon the merger of a member.

TITLE 3 CORPORATION MEMBERSHIP MEETINGS

3.1. Location of Meetings. Any annual, regular or special meeting of the membership of the Corporation may be held at any place in the United States. Although the designation of a usual meeting date, time or location is reserved to the membership of the Corporation, the Board of Directors or the membership may determine a different location for a particular meeting as circumstances warrant.

3.2. Annual Meeting; Date. The annual meeting of the Corporation is held in either September or October, unless the membership of the Corporation at a prior regular or special meeting designate a different time or date for a particular year. Any matter relating to the affairs of the Corporation, whether or not stated in any notice of the annual meeting, may be brought up for action by the membership, except for any matter for which prior notice is required by the Articles of Incorporation, these Bylaws, or the Code. As required by the Code, at such annual meeting the membership shall receive reports from the President concerning the activities of the Corporation, and from the Treasurer concerning the financial condition of the Corporation.

3.3. Regular Meetings; Date. Regular meetings of the Corporation will be held, from time to time, as determined by the members, beginning in January of each year. Sufficient prior notice under Section 3.5 (Notice of Meetings) of these Bylaws, will be provided to all members in good standing of the meeting date. Any matter relating to the affairs of the Corporation, whether or not stated in any notice of the regular meeting, may be brought up for action by the membership, except for any matter for which prior notice is required by the Articles of Incorporation, these Bylaws, or the Code.

3.4. Special Meetings; How Called. Special meetings of the Corporation may be called for any purpose whatsoever, at any time by: (1) any three (3) members of the Board of Directors, or (2) a documented demand executed by at least twenty-five percent (25%) of the active members of the Corporation in good standing, and that is filed with the Secretary. The purpose of each special meeting must be stated in the notice. The notice of any special meeting shall be sent to all members in good standing under Section 3.5 (Notice of Meeting) of these Bylaws. If the Secretary does not give notice to the membership of the date, time, place, and purpose of the special meeting within five (5) days after demanded as provided in (1) – (4) above, any person who signed that demand may directly give the required prior notice of the special meeting to the membership in the manner provided in Section 3.5 (Notice of Meeting).

3.5. Notice of Meetings. The Secretary will give a documented notice of the time, date, and location of each meeting of the membership of the Corporation not less than ten (10) or greater than sixty (60) days before the scheduled meeting date. Normally, the notice is to be sent by mail or by electronic transmission using the contact information of each member in good standing as reflected in the Corporation's membership roster. Valid notice may be made through any official newsletter of the Corporation, at least ten (10) days prior to the scheduled meeting date if mailed first class or if the notice is electronically transmitted, or thirty (30) days prior to the scheduled meeting date if transmitted by any other means. Any notice mailed first class or electronically transmitted shall be considered effective upon dispatch. Any notice transmitted by any other means shall be considered effective when it is received. In emergencies where ten (10)

days' notice cannot be given, notice may be made by any reasonable means if made to all members in good standing as directed by the Board of Directors. A notice of an annual, special, or regular meeting must include a description of any proposal that is required to be approved by the members under the Code, including proposals to: (a) determine that the reimbursement of the judgment and expenses of litigation of a current or former director is appropriate under O.C.G.A. § 14-3-855; (b) approve a transaction where a director has an interest conflicting with the Corporation under O.C.G.A. § 14-3-863; (c) amend the Articles of Incorporation under O.C.G.A. § 14-3-1003; (d) amend the Bylaws under O.C.G.A. § 14-3-1021, except as limited in these Bylaws; (e) merge the Corporation with another entity under O.C.G.A. § 14-3-1103; (f) sell all or substantially all of the assets of the Corporation in other than the usual course of business under O.C.G.A. § 14-3-1202; (g) dissolve and terminate the Corporation under O.C.G.A. § 14-3-1402; (h) take an action that a member intends to present at a membership meeting, when that member has requested that notice be given to the membership in the notice of meeting by the transmission of a document by any reasonable means to the President or Secretary at least ten (10) days prior to the dispatch of the prior notice of meeting; and (i) remove a director from office when required by these Bylaws. Any required notice may be waived by a member as permitted under the Code; and any member may object to the failure of sufficient notice of the meeting or of a matter brought before a meeting, as permitted by the Code.

3.6. Quorum at Meetings. The presence of fifty percent (50%) of the regular members in good standing and entitled to vote shall constitute a quorum for the transaction of business at meetings of the Corporation. Once a quorum is established at any meeting of the Corporation, it is presumed to exist for the balance of that meeting. As permitted by the Code, the presence of fifty percent (50%) of the regular members in good standing and entitled to vote permits the membership to consider any matter at an annual or regular meeting for which prior notice of the matter is not specifically required by the Code.

3.7. Member Proxies. Each regular member in good standing and entitled to vote may participate in any meeting of the membership of the Corporation through a proxy, dated and executed with the manual or electronic signature of the member and promptly delivered to the Secretary or Membership Chair, as applicable. A proxy may limit or direct how the vote of the member the proxy represents shall be cast, or as to what matters a vote is to be cast. A proxy will identify the member, the member's agent, or the member's attorney who is authorized to hold and exercise that proxy on behalf of the absent member, any instructions concerning its use, the meeting(s) at which it is to be used or that it may be used at any period during a stated period of time, and the expiration date of the proxy, to be a date no more than eleven (11) months after the date the proxy is executed. Any proxy may be revoked in writing or in person by the designating member at any time, and only the proxy executed latest in date will be accepted by the Corporation.

3.8. Membership Voting. Unless otherwise provided in the Articles of Incorporation, these Bylaws, the procedural reference authority or the Code, the affirmative vote of a majority of those members casting a vote on a matter, in the presence of a quorum, is necessary to the adoption of a motion. Unless otherwise provided in the Articles of Incorporation, these Bylaws, the procedural reference authority or the Code, the affirmative vote of a plurality of members

casting a vote in an election, in the presence of a quorum, is necessary to the election of a nominee for any director position in the Corporation. Two (2) or more persons representing each Regular Member may attend membership meetings but only one (1) person is allowed to cast the vote for the Regular Member.

3.9. Voting – Electronic or By Mail. The Board of Directors may adopt electronic voting procedures for the members for any matter, provided such procedures comply with the applicable provisions of the Code. Alternatively, any matter which may be acted upon by the membership or the Board of Directors of the Corporation may be submitted to a vote of the membership by mail. A mail vote may be initiated (1) by action of the Board of Directors, (2) by the documented request of twenty-five percent (25%) of members of the Corporation filed with the Secretary, or (3) at the direction of the membership of the Corporation approved at any annual, regular or special meeting of the Corporation. A mail ballot on the particular issue, with all pertinent information, shall be mailed first class to each member then in good standing within ten (10) days after the mail ballot is initiated, at each member's address as recorded in the membership roster of the Corporation. To be counted in the official tally of the mail ballots, the mail ballots shall be returned to the Secretary within twenty-two (22) days after the postmark date on the ballots. At the time the ballots are due, the Secretary will promptly ascertain and certify the result of the mail ballot. For the proposition to pass, or the election to be valid, a sufficient number of ballots equal to the number necessary for a quorum must be returned to the Secretary. Unless otherwise provided in the Articles of Incorporation, these Bylaws, the procedural reference authority or the Code, the affirmative vote of a majority of those members casting a ballot on a matter, with a quorum of ballots cast, is necessary to the adoption of an action. Unless otherwise provided in the Articles of Incorporation, these Bylaws, the procedural reference authority or the Code, the affirmative vote of a plurality of members casting a vote in an election, with a quorum of ballots cast, is necessary to the election of a nominee for any director position in the Corporation. Thereafter the Secretary will announce the results both at meetings of the Board of Directors and the membership and in the official newsletter of the Corporation. The Board of Directors is authorized to adopt such procedures or rules as is reasonable and necessary to insure the integrity of the mail ballot procedure.

3.10. Corporation Committees. Standing or temporary committees of the Corporation may be created by action of the President and approved by the Board of Directors. The charge of each standing committee is reflected within this section of these Bylaws. The President is to designate the chair of each standing committee. The chair of each committee will appoint the remaining members of that committee, unless its full membership is designated at the time a temporary committee is created. Each committee will report regularly to the President. The chair and membership of each committee shall serve at the pleasure of the appointing authority:

(A) **Board Nominations and Membership Nominations Committee.** This Committee will discharge the responsibilities delegated to it under Titles 3 and 4 of these Bylaws. This committee is appointed annually.

(B) **Other Committees.** The President may establish additional committees from time to time, including, without limitation, a Website Committee, a Carrier Committee, an IT/Marketing

Committee, a Vendor Committee, an Advertising Committee and an Executive Committee. Regional or "At-Large" members may be appointed by the President to direct or help with any committee functions.

The Board of Directors may expand the charge of any committee generally or for a specific project when circumstances warrant.

3.11. Documented Consent Action by Members. Any action required by law, or permitted to be taken at any meeting of the members of the Corporation, may be taken without a meeting, if a documented consent, setting forth the action so taken, is executed by a majority of the members by written or electronic signature. This consent shall be the equivalent to a vote of the members during a meeting with a quorum present, and shall be filed and recorded with the minutes of the Corporation's members. No action shall be effective under this Section until ten (10) days after notice is given to those members of the Corporation who did not execute the documented consent.

TITLE 4 BOARD OF DIRECTORS

4.1. Establishment and Function. The property, business and affairs of the Corporation shall be managed by a governing body known as the "Board of Directors." The Board of Directors shall conduct its proceedings as provided in the Articles of Incorporation, these Bylaws and the Code. The Board of Directors is responsible for the overall policy and direction of the Corporation but may delegate responsibility for the day-to-day operations to the officers and the committees created by the President and approved by the Board of Directors.

4.2. Composition and Term. The Board of Directors is composed of no fewer than five (5) nor more than nine (9) persons elected for two (2) year terms beginning on January 1 and ending on December 31 and until their respective successors are elected and installed. Each director shall be elected by the membership of the Corporation at the annual meeting of the Corporation. The seven (7) current directors may be the same individuals who will be appointed as the (1) President, (2) the President Elect, (3) the immediate Past President, (4) two (2) Vice Presidents, (5) the Secretary, and (6) the Treasurer of the Corporation. The precise number and identity of the directors shall be designated from time to time by the affirmative vote of a majority of the members.

4.3. Election, Nomination and Qualifications. The annual election of directors by the membership will be conducted in accordance with the procedures outlined in this Title 4 or elsewhere in these Bylaws, and the following: The Nominations Committee will compile nominations for each position on the board, and may make nominations in its own right. Nominations may be made by any person in good standing, including self-nominations, or by the Nominations Committee. No nomination will be placed on the annual election ballot unless: (a) the nominee's entity or firm is an active member in good standing, (b) the nominee is at least eighteen (18) years of age, as required by the Code, and (c) the nominee has affirmatively

consented to the nomination, or has elected one nomination, if proposed for more than one office.

4.4. Powers.

(1) The Board of Directors may exercise all powers granted to it as it shall determine to be expedient and necessary for the interests of the Corporation, subject to the Articles of Incorporation, these Bylaws, or the Code, and the review and direction of the membership of the Corporation.

(2) If some catastrophic event occurs that precludes the Corporation or the Board of Directors from assembling, then those directors who are capable of assembling, either in person or through a communications system permitting all of the participants to hear each other, shall convene as required and take any necessary action to preserve the Corporation until the emergency ceases. A quorum shall consist of one-half (1/2) of the directors who participate in the initial emergency session. Each emergency session shall be convened by any manner of notice reasonable, prudent or practicable in the circumstances. The available directors shall designate as many members of the Corporation as necessary to serve as acting directors. The acting Board of Directors may exercise any and all emergency powers authorized under the Code, in the name of the Corporation, without regard to requirements of membership approval, if the action taken is reasonably necessary during the presence of emergency conditions.

4.5. Meetings. The Board of Directors will hold at least one (1) regular meeting during each calendar year, and may call other regular meetings of the Board of Directors, or special meetings of the Board of Directors, at the call of (a) the President, (b) the President Elect, or (c) any three (3) directors. Following their election, but prior to the date on which their terms begin, the newly-elected Board of Directors will meet in joint session with the outgoing Board of Directors for an organizational session, at which they will review all pending matters before the outgoing board, permit the new board to organize its affairs, and establish a fixed meeting schedule as to the regular board meetings held prior to the scheduled regular meetings of the membership of the Corporation. Any matter relating to the affairs of the Corporation may be brought before the board, unless notice of the matter is required to be included in the notice of the Board of Directors meeting. Notice of each special meeting shall be sent to each director by any reasonable method utilizing the contact information of record in the membership roster, at least two (2) days prior to a special meeting. Where circumstances require a meeting on less than two (2) days' notice, such notification may be made to each member of the Board of Directors by any reasonable method. At Board of Directors meetings, a quorum shall consist of four (4) members. No proxy votes may be used.

4.6. Use of Contemporaneous Communications Systems for Board Meetings. The Board of Directors, or any Corporation committee, may utilize a contemporaneous communications system in which all participants in the meeting can hear each other; and participation in a meeting by this system constitutes the presence of the participant at the meeting.

4.7. Voting; Quorum. Each director shall have one (1) vote on the Board of Directors. Once a quorum is established, all matters put to a vote before the Board of Directors will require the affirmative vote of a majority of directors voting on the matter, in the presence of a quorum, unless a greater majority is required by these Bylaws, the Articles of Incorporation or the Code. The participation of a majority of the directors, whether present in person or through a contemporaneous communications system, constitute a quorum of the board in order to conduct business. In the event that fewer than a majority, but at least one-third (1/3), of the directors are participating, then the board is authorized to consider and make recommendations on any matter action upon which is viewed as appropriate in the circumstances for action by the membership either at a meeting, by mail ballot or by a documented consent, or to call a special meeting of the membership as provided in Section 3.4 (Special Meetings; How Called).

4.8. Removal of Director.

(1) One or more directors, or the entire Board of Directors, may be removed by the affirmative vote of a majority of the membership of the Corporation present and voting on removal at a regular or special meeting of the Corporation membership, and where notice of a member's intention to present a motion for removal has been given to the membership pursuant to Section 3.5 of these Bylaws and a quorum is present. For the avoidance of doubt, the foregoing requires the vote of more than half of all members not just the vote of a majority of the members when a quorum is present. A separate vote on removal must be made as to each director proposed for removal; and the motion may be voted upon by mail ballot under Section 3.9 of these Bylaws. The director subject to removal shall not be entitled to vote for or against his or her removal.

(2) Any director who was elected to complete an unexpired term of a director through election by the directors may be removed by an affirmative vote of two-thirds (2/3) of the remaining directors for a stated cause. For the avoidance of doubt, the foregoing requires the vote of more than half of all members not just the vote of a majority of the members when a quorum is present.

(3) In the event of removal, the provisions of Section 4.3 (Election, Nomination and Qualifications) and 4.9 (Vacancies) will apply; however, if the removal of directors results in a total of two or more vacancies on the board, the Nominations Committee shall organize and expedite the election of new directors by convening a special meeting of the membership, on some later date at least ten (10) but no more than fifteen (15) days after the date of the meeting at which directors were removed, with all members voting either in person or by proxy, and without utilizing mail voting, for the purpose of filling these vacancies.

4.9. Vacancies.

(1) When a vacancy occurs, or will occur, on the Board of Directors, then that vacancy shall be filled by the vote of the membership at the next regular or special meeting of the membership. The Nominations Committee will reconvene to accept, propose, verify and certify nominees for the special election within a two (2) week period after the vacancy is created. Mail

balloting may be utilized only if the period for returning ballots can be completed prior to the next membership meeting, with a fifteen (15) day response period after the ballots are mailed for the return of ballots to the Secretary. Otherwise, a special election will be conducted at the first membership meeting after the vacancy is noticed or has occurred.

(2) Whenever a vacancy occurs, or is expected to occur, on the Board of Directors after July 15 in a year when the term of office expires, then that vacancy shall be filled by vote of the Board of Directors, unless three or fewer directors remain, in which case, the expedited procedure in Section 4.8 (Removal of Director) will be implemented by the Nominations Committee.

(3) If any director-elect declines election, or fails to assume the responsibilities of director, that position shall be considered vacant as of January 1 of the year the term begins, and shall be filled under paragraph (1) of this Section.

4.10. Documented Consent Action by Board. Any action required by law, or permitted to be taken at any meeting of the Board of Directors, may be taken without a meeting, if a documented consent, setting forth the action so taken, is provided to all directors no later than five (5) days prior to its effective date, and is executed by a majority of the directors by written or electronic signature. This consent is the equivalent to a vote of the Board of Directors during a meeting with a quorum present, and is to be filed and recorded with the minutes of the Corporation's Board of Directors, provided that it fulfills any other notice provisions required for a particular action. The directors who did not sign the consent action shall be given notice of the action as soon as practicable, but no later than the next membership meeting after the documented consent action has been executed by a sufficient number of directors.

4.11. Duties of Corporation Officers. Each person who is elected as an officer of the Corporation, shall exercise the following responsibilities pertaining to their office, in addition to any other duty imposed on that office by the Articles of Incorporation, these Bylaws, the Code or by vote of the membership or the Board of Directors of the Corporation, as follows:

(1) The President shall preside at all meetings of the Board of Directors and the membership of the Corporation; reports on the activities of the Corporation to the membership at each annual meeting of the Corporation; oversees the activities of the Corporation, and reports on those matter determined appropriate to the Board of Directors, the officers, and the membership of the Corporation.

(2) The President Elect shall preside at all meetings of the Board of Directors or the membership of the Corporation in the absence of the President, and in the case of a vacancy in the office of President, act as President until a new President is elected under Section 4.9 (Vacancies) of these Bylaws.

(3) The Past President shall preside at all meetings of the Board of Directors or the membership of the Corporation in the absence of the President and the President Elect and shall perform such other functions assigned to her to help ensure the continuity of the Corporation.

(4) The Secretary shall maintain and provide access to the records of the Corporation as required by O.C.G.A. § 14-3-1601 and O.C.G.A. § 14-3-1602; record the minutes of all proceedings of the Board of Directors and of the membership of the Corporation; maintain a current roster of the membership of the Corporation; maintain the eligible member list for each record date as required under the Code and Section 1.6 (Objectives) of these Bylaws, and report on these matters to the Board of Directors, the officers, and the membership of the Corporation.

(5) The Treasurer shall maintain the financial records of the Corporation; prepare the annual accounting and financial statement of the Corporation for the annual meeting of the membership of the Corporation (which may be prepared by a certified public accountant when authorized by the Board of Directors); and report on these matters to the Board of Directors, the officers, and the membership of the Corporation. The Treasurer will assist the Secretary in the counting of ballots in any election for the Board of Directors of the Corporation.

(6) The two (2) Vice Presidents shall perform such duties as may be delegated to them by the President or the Board of Directors.

4.12. Financial Regulations. This section outlines certain policies and practices as to the financial procedures of the Corporation:

(1) The signatory on any bank account and the depository institution for that account shall be established by the Board of Directors by an appropriate resolution.

(2) Any director, committee chairman, committee member, or member of the Corporation shall be reimbursed for their actual and necessary expenses when reasonably incurred on behalf of the Corporation. No director, committee chairman, committee member, or member of the Corporation may receive any salary, fees, compensation, commission or other payment for rendering specific services to the Corporation.

(3) The Corporation's fiscal year is the calendar year.

TITLE 5 CODE PROVISIONS INCORPORATED

5.1. Indemnification.

A. Authority to Indemnify. Except as otherwise provided in this section, the Corporation may, in its sole discretion, indemnify an individual who is a party to a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal) because he or she is or was a director, against liability to pay a judgment, settlement, penalty, fine (including

the obligation to pay an excise tax assessed with respect to an employee benefit plan), or reasonable expenses, including counsel fees, incurred with respect to the proceeding if:

(1) Such individual conducted himself or herself in good faith; and

(2) Such individual reasonably believed:

(A) In the case of conduct in his or her official capacity as director of the Corporation, that such conduct was in the best interests of the Corporation;

(B) In all other cases, that such conduct was at least not opposed to the best interests of the Corporation; and

(C) In the case of any criminal proceeding, that the individual had no reasonable cause to believe such conduct was unlawful.

Further, the termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent shall not, of itself, be determinative that the director did not meet the standard of conduct described in this section. The Corporation may not indemnify a director under this section in connection with a proceeding by or in the right of the Corporation, except for reasonable expenses, including counsel fees, incurred in connection with the proceeding if it is determined that the director has not the relevant standard of conduct under this section, or in connection with any other proceeding with respect to conduct for which the director was adjudged liable on the basis that a personal benefit was improperly received by him or her, whether or not involving action in his or her official capacity as a director of the corporation.

B. Mandatory Indemnification. The Corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal) to which the director was a party because he or she was a director of the Corporation, against the reasonable and actual expenses, including counsel fees, incurred by the director in connection with the proceeding.

C. Advance for Expenses. Before the final deposition of a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), the Corporation may advance funds to pay for or reimburse the reasonable and actual expenses, including counsel fees, incurred by a director who is a party to that proceeding because he or she is a director if he or she delivers to the Corporation:

(1) A written affirmation of his or her good faith belief that he or she has met the relevant standard of conduct described in paragraph A (Authority to Indemnify) of this Section 5.1 (and in O.C.G.A. § 14-3-851), or that the proceeding involves conduct for which liability has been

eliminated under a provision of the Articles of Incorporation (as authorized by O.C.G.A. § 14-3-202(b)(4)); and

(2) His or her written understanding to repay any funds advanced if it is ultimately determined that the director is not entitled to indemnification under applicable provisions of the Georgia Nonprofit Corporation Code or under these Bylaws. This understanding must be an unlimited general obligation of the director but need not be secured and may be accepted by the Corporation without reference to the financial ability of the director to make repayment.

Authorizations under this section shall be made by the Board of Directors: (a) where there are two or more disinterested directors, by a majority vote of all the disinterested directors (a majority of whom shall for such purpose constitute a quorum) or by a majority of the members of a committee of two (2) or more disinterested directors appointed by such a vote; or (b) when there are fewer than two disinterested directors, then by the affirmative vote of a majority of directors present, in the presence of a quorum, unless the vote of a greater number of directors is required for action by the board (in accordance with O.C.G.A. § 14-3-824(c)) and in which authorization directors who do not qualify as disinterested directors may participate.

D. Court-Ordered Indemnification or Advance for Expenses. A director who is a party to a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), because he or she is a director may apply for indemnification or advance for expenses (including counsel fees) to the court conducting the proceeding or to another court of competent jurisdiction. After receipt of the application and after giving any notice it considers necessary, the court shall order indemnification or advance for expenses if it determines:

(1) that the director is entitled to indemnification under this Section 5.1, or

(2) in view of all of the relevant circumstances, that it is fair and reasonable to indemnify or advance expenses to the director, even if the director has not met the relevant standard of conduct in paragraph A of this Section 5.1, or has failed to comply with the procedure in paragraph C of this Section 5.1, or was adjudged liable in a proceeding by or in the right of the Corporation, except for reasonable and actual expenses; including counsel fees, incurred in connection with the proceeding if it is determined that the director has met the relevant standard of conduct under this section, or in connection with any other proceeding with respect to conduct for which the director was adjudged liable on the basis that a personal benefit was improperly received by him or her, whether or not involving action in his or her official capacity as a director of the Corporation.

If the court determines that the director is entitled to indemnification or advance for expenses, it may also order the Corporation to pay the director's reasonable expenses, including counsel fees, to obtain court ordered indemnification or advance for expenses.

E. Procedure for Determination. The Corporation may not indemnify a director under Paragraph A of this Section 5.1 unless authorized under the terms of Paragraph A of this Section

5.1, and a determination has been made for a specific proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), that indemnification of the director is permissible in the circumstances because the director has met the relevant standard of conduct set forth in Paragraph A of this Section 5.1. The determination shall be made:

(1) If there were two or more disinterested directors, by the Board of Directors by a majority vote of all the disinterested directors (a majority of whom shall for such purpose constitute a quorum) or by a majority of the members of a committee of two (2) or more disinterested directors appointed by such a vote);

(2) By special legal counsel selected in the manner described in paragraph (1) of this subparagraph or, if there are fewer than two disinterested directors selected by the Board of Directors (in which selection directors who do not qualify as disinterested directors may participate); or

(3) By the members, but a director who at the time does not qualify as a disinterested director may not vote on the determination.

Authorization of indemnification or of an obligation to indemnify and the evaluation as to the reasonableness of expenses, including counsel fees, shall be made in the same manner as the determination that indemnification is permissible, except that if there are fewer than two (2) disinterested directors or if the determination is made by special legal counsel, the authorization of indemnification and the evaluation as to the reasonableness of expenses shall be made by those directors who could select special legal counsel (when there are fewer than two disinterested directors) under subparagraph (2) of this section.

F. Authorization of Indemnification Exceeding Statutory Levels. This section authorizes the Corporation to indemnify or obligate itself to indemnify a director made a party to a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), including a proceeding brought by or in the right of the Corporation, without regard to the limitations contained in Part 5 of Article 8 of the Georgia Nonprofit Corporation Code, or of other provisions of this Section 5.1. The Corporation shall not indemnify a director under this section for any liability incurred in a proceeding in which the director is adjudged liable to the Corporation or is subjected to injunctive relief in favor of the Corporation for:

(1) any appropriation, in violation of the director's duties, of any business opportunity of the Corporation,

(2) acts or omissions which involve intentional misconduct or a knowing violation of law,

(3) the types of liability respecting improper corporate distributions under O.C.G.A. § 14-3-831, or

(4) any transaction from which the director received an improper personal benefit.

Before the Corporation may advance or reimburse expenses of a director prior to the final disposition of a proceeding, as approved or authorized under this section, the director shall furnish to the Corporation a written affirmation of his or her good faith belief that his or her conduct does not constitute behavior described in the preceding sentence of this section and shall furnish to the Corporation a written undertaking, executed personally or on his or her behalf, to repay any funds advanced if it is ultimately determined that the director is not entitled to indemnification under this section.

**G. Indemnification or Advance of Expenses for Officer of Corporation;
Indemnification or Advance of Expenses for Employees and Agents.**

(1) The Corporation may indemnify and advance expenses under this Section 5.1 to an officer of the Corporation who is a party to a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), because he or she is an officer of the Corporation to the same extent as a director, as provided in this Article. If an officer of the Corporation is not a director, or although the officer is also a director, because the sole basis on which he or she is made a party to the proceeding is an act or omission solely as an officer, the Corporation may indemnify or advance expenses to such further extent permitted by the laws of Georgia, except for liability arising out of conduct that constitutes:

(a) appropriation, in violation of his or her duties as an officer, of any business opportunity of the Corporation,

(b) acts or omissions which involve intentional misconduct or a knowing violation of law,

(c) the types of liability for improper corporate distributions (as specified in O.C.G.A. § 14-3-831), or

(d) the receipt of an improper personal benefit.

An officer of the Corporation who is not a director is entitled to mandatory indemnification under paragraph B of this Section 5.1, may apply to a court for indemnification or advances for expenses under paragraph (D) of this Section 5.1 to the same extent to which a director may be entitled to indemnification for advances for expenses.

(2) The Corporation shall indemnify and advance expenses to an employee or agent of the Corporation who is not a director to the fullest possible extent, consistent with public policy and to the fullest extent permitted by the laws of Georgia. The procedures for such indemnification or advance shall be consistent with those for directors or officers of the Corporation.

H. Insurance. The Corporation may purchase and maintain insurance on behalf of each individual who is a director, officer, employee, or agent of the corporation, or who, while a director, officer, employee, or agent of the Corporation, serves at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee, or agent, whether or not the Corporation would have power to indemnify or advance expenses to him or her against the same liability under this Article.

I. Prior Obligation to Indemnify or Advance Expenses. Pursuant to the provisions of O.C.G.A. § 14-3-858, the Corporation is authorized to obligate itself in advance of the act or omission giving rise to a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), to provide indemnification or advance funds to pay for or reimburse expenses of a director, officer, employee or agent to the fullest extent permitted by the laws of Georgia. The Corporation has power to pay or reimburse a director or officer in connection with his or her appearance as a witness in a proceeding (whether threatened, pending or completed action, suit or proceeding, and whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal), at a time when he or she is not a party. Further, except to the extent limited in Paragraph G of this Section 5.1, this Section 5.1 does not otherwise limit the Corporation's power to indemnify, advance expenses to, or provide or maintain insurance on behalf of an employee or agent.

J. Definitions for Section.

As used in this Section 5.1, unless the context clearly requires a different meaning, the term:

(1) "Corporation" includes any domestic or foreign predecessor entity of a corporation in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction, including United Specialty Agents Alliance, Inc., formerly a Georgia profit corporation.

(2) "Director" or "officer" means an individual who is or who was a director or officer, respectively, of a corporation, or who, while a director or officer of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity. A director or officer is considered to be serving an employee benefit plan at the Corporation's request if his or her duties to the Corporation also impose duties on, or otherwise involve services by the director or officer to the plan or to participants in or beneficiaries of the plan. Further, unless the context otherwise requires, "director" or "officer" includes the estate or personal representative of a director or officer.

(3) "Disinterested Director" means a director who at the time of a vote or other action by the Board of Directors of the Corporation is not a party to the proceeding; or is an individual who

is a party to a proceeding having a familial, financial, professional, or employment relationship with the director whose indemnification or advance for expenses is the subject of the decision being made with respect to the proceeding, which relationship would, in the circumstances, reasonably be expected to exert an influence on the director's judgment when voting on the decision being made.

(4) "Expenses" includes counsel fees reasonably and actually incurred.

(5) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.

(6) "Official capacity" means when used with respect to a director, the position of director in the corporation, and when used with respect to an officer, as contemplated in paragraph (G) of this Section 5.1, the office in the corporation held by the officer. "Official capacity" does not include service for any other domestic or foreign corporation or any partnership, joint venture, trust, employee benefit plan, or other entity.

(7) "Party" means an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(8) "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, and whether formal or informal.

TITLE 6 REIMBURSEMENT BY CORPORATION EMPLOYEES

6.1. Procedures. Any payments made to an employee of the Corporation in the form of reimbursement, a salary, or bonus payment, that is disallowed, in whole or in part, as a deductible expense to the Corporation for Federal or State income tax purposes by the Internal Revenue Service, or by the revenue department of any State, shall be reimbursed by such employee to the Corporation to the full extent of such disallowance within six (6) months after the date on which the Corporation is assessed a deficiency with respect to such allowance. It shall be the duty of the Board of Directors of the Corporation to enforce payment to the Corporation by any such employee for the amount disallowed. The Corporation shall not be required to legally defend any proposed disallowance by the Internal Revenue Service or by the revenue department of any State, and the amount required to be reimbursed by such employee shall be the amount, as finally determined by agreement or otherwise, which is actually disallowed as a deduction. In lieu of payment to the Corporation by any such employee, the Board of Directors may, in the discretion of the Board, withhold amounts from such employee's future compensation payments until the amount owed to the Corporation has been fully recovered.

TITLE 7
AMENDMENTS

7.1. Amendments to Articles of Incorporation. Any change in the Articles of Incorporation of the Corporation shall not be adopted unless the following has occurred:

(1) Each proposal is submitted to the Board of Directors for a recommendation to the membership of the Corporation as to whether the proposal should be adopted, be adopted with amendments, or be rejected, and the board's reasons for its recommendation. If due to a conflict of interest of a member of the board, or some other special circumstance, there is no recommendation, the board shall transmit the proposal to the membership with no recommendation, and state the reason no recommendation is made. The board may condition its recommendation upon any reasonable stipulations it deems appropriate.

(2) Proposals may be initiated by a vote of the Board of Directors, or by any two (2) members of the Corporation.

(3) The recommendation of the board concerning the proposal will be sent, along with the text of its proposal, to the membership of the Corporation either with the notice of the meeting at which the proposal is to be presented, or with the mail ballot concerning the proposal, as appropriate under Section 3.5 (Notice of Meetings) or 3.9 (Mail Voting) of these Bylaws.

(4) When the proposal is presented for consideration at a meeting of the membership of the Corporation, it is open to any amendments or other action as the membership approves, without limitation.

(5) No proposal to change the Articles of Incorporation shall be adopted unless either (a) two-thirds (2/3) of the members affirmatively voting, with a quorum present at a meeting, or with a quorum of ballots when voted upon by mail, or (b) in the alternative, a majority of the total number of eligible members affirmatively voting, whichever is less, approve the proposal.

(6) Once adopted, no change is effective until it is filed with the Georgia Secretary of State as required by the Code.

7.2. Amendments to Bylaws. Any change in these Bylaws shall not be adopted unless the following has occurred:

(1) Each proposal is submitted to the Board of Directors for a recommendation to the membership of the Corporation as to whether the proposal should be adopted, be adopted with amendments, or be rejected, and the board's reasons for their recommendation. If due to a conflict of interest of a member of the board, or some other special circumstance, there is no recommendation, the board shall transmit the proposal to the membership with no

recommendation, and state the reason no recommendation is made. The board may condition its recommendation upon any reasonable stipulations it deems appropriate. However, the membership may waive this provision when a proposal is offered concerning Sections 3.10 (Corporation Committees) or 4.12 (Financial Regulations) of these Bylaws.

(2) Proposals may be initiated by a vote of the Board of Directors, or by any two (2) members of the Corporation.

(3) The recommendation of the board concerning the proposal will be sent, along with the text of their proposal, to the membership of the Corporation either with the notice of the meeting at which the proposal, is to be presented, or with the mail ballot concerning the proposal, as appropriate under Section 3.5 (Notice of Meetings) or 3.9 (Mail Voting) of these Bylaws. However, the membership may waive this provision when a proposal is offered concerning Sections 3.10 (Corporation Committees) or 4.12 (Financial Regulations) of these Bylaws.

(4) When the proposal is presented for consideration at a meeting of the membership of the Corporation, it is open to such amendments or action as the membership approves.

(5) No proposal to change these Bylaws shall be adopted unless, except for Section 2.7 (Resignation From Membership), a majority of the members voting vote affirmatively to approve the proposal, either with a quorum present at a meeting, or with a quorum of ballots when voted upon by mail. No proposal to change these Bylaws shall be adopted unless a two-thirds (2/3) majority approve the proposal.

(6) Once adopted, any change to these Bylaws shall be immediately effective, unless some later date is designated in the proposal.