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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

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RENEWED, AMENDED AND SUBSTITUTED
ARTICLES OF INCORPORATION
OF
FARMERS MUTUAL INSURANCE ASSOCIATION
WINTERSSET, IOWA

ARTICLE I

Section 1. The name of this corporation shall be "FARMERS
MUTUAL INSURANCE ASSOCIATION".

ARTICLE II

Section 1. The principal place of business of the corporation
shall be in Winterset, Madison County, Iowa, and it may conduct
its business and operations anywhere in Madison County, State of
Iowa, and all other counties within the State of Iowa as are
contiguous thereto.

ARTICLE III

Section 1. This corporation shall be a continuation of the
original corporation as transformed by the Articles of Incorpora-
tion filed with the Secretary of State of Iowa on the 12th day of
February, 1966, and it shall have and retain all the rights,
property and privileges which it had prior to the adoption of
these Renewed, Amended and Substituted Articles of Incorporation
and any additional rights, powers and privileges provided for
herein.

Section 2. The object and purpose of the Association shall
be that of insurance on the mutual plan as permitted for county
mutual insurance associations by Chapter 518, Code of Iowa, 1987,
and it shall operate as a county mutual insurance association as

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authorized by Chapters 491 and 518 of the Code of Iowa, 1987; and it hereby assumes all the rights, powers and privileges granted or permitted thereby and by any Act or Acts amendatory thereto, together with such rights, powers and privileges as are now or may hereafter be otherwise conferred upon such association by law.

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

1. Insure or to accept reinsurance against loss or damage by:

- (a) Any peril or perils resulting in physical loss or damage to property;
- (b) Theft of personal property;
- (c) Injury, sickness or death of animals and the furnishing of veterinary service.

Such contracts of insurance shall be subject only to the provisions of Chapter 518, Code of Iowa and any acts amendatory thereto and shall consist of:

An application on blanks furnished by the Association and signed by the insured or his representatives;

A policy issued by the Association in accordance with its rules and on form approved by the Commissioner of Insurance.

2. Insure the following classes of property:

- (a) Farm property, including residences and other farm buildings and all classes of personal property in connection therewith;
 - (b) Buildings and personal property used in the processing of agricultural products in conjunction with a farming operation;
 - (c) City and suburban residences, including household and personal effects;
 - (d) Churches, schools and community buildings.
3. Insure or reinsure any other or additional risk which is now or may hereafter be authorized or permitted by law for county mutual insurance associations.
4. Subject to limitations imposed by law the Association shall be empowered to reinsure its risks or any part thereof with any other association or company licensed in the State of Iowa authorized to write the kinds of insurance enumerated in paragraphs 1 and 2 of this section or to reinsure the risks or any part thereof of any other association; to consolidate with any other association; or purchase or otherwise acquire or hold, mortgage, pledge, sell, convey, transfer or otherwise dispose of any and all property, real, personal or mixed; wherever situated, necessary, useful or desirable in the transaction of business; to borrow money and to issue notes and other evidence of

indebtedness of all kinds and for whatever purpose and to secure the same by mortgage, pledge or otherwise of its property or assets; to purchase or otherwise acquire, own, hold, sell, assign, transfer, pledge or otherwise dispose of shares of capital stock of other corporations, mortgages, bonds, debentures or other evidence of indebtedness, including the right to vote thereon, to enter into, take and perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state or governmental agency, and generally to do all and everything necessary, suitable and proper for the accomplishment of any of its objects or the furtherance of any of its powers herein set forth, providing the same is not inconsistent with the laws of the State of Iowa, or the provisions of these Articles.

ARTICLE IV

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

ARTICLE V

Section 1. The membership of the Association shall consist of every individual, co-partnership, public or private corporation, board or association, trustee, administrator, executor, organization or other legal entity having insurance herein. Membership and insurance may be obtained only upon written application signed by the applicant and shall commence only when accepted by the

Association, and shall cease when such insurance is cancelled or terminated for any cause. Insurance on the property of one or more minors may be granted on application of an adult parent, friend or guardian who consents to become a member of the Association as representing such minor. A member of the Association shall be entitled to the privileges of such membership as defined in these Articles, the Bylaws of the Association and Contract of Insurance, so long only as said contract of insurance remains in force. The private property of the members shall be exempt from Association debts.

ARTICLE VI

Section 1. The annual meeting of the members shall be held on the Fourth Saturday in March in each year at 1:30 p.m. at Winterset, Iowa.

Section 2. Special meetings of the members may be called by the President and shall be called by him upon written request of the majority of the members of the Board of Directors or upon written request of 1/4 of the members of the Association. Due notice of time and place of such special meeting shall be given to the members as specified in the Bylaws.

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

Section 4. Ten (10) members shall constitute a quorum for the transaction of any business at any membership meeting.

ARTICLE VII

Section 1. The Association shall have perpetual existence but it may be dissolved at any time for good cause upon the affirmative votes of two-thirds (2/3) of the members present in person and voting thereon, at any regular or special meeting of the membership duly called and held; provided, no action to dissolve the Association shall be sufficient unless written notice that such action is to be considered shall have been given to all members by the President and Secretary of the Association at least thirty (30) days prior to the meeting.

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

ARTICLE VIII

Section 1. The general control and management of the Association shall be vested in a Board of Directors consisting of nine (9) members.

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

<u>Name</u>	<u>Address</u>	<u>For the Term Expiring With Annual Meeting of Members in the Year</u>
Marvin Groth	Winterset, Iowa	1990
Milton Young	St. Charles, Iowa	1990
William C. Price	Earlham, Iowa	1990
Charles R. Stacy	Adel, Iowa	1988
Dean Parker	Truro, Iowa	1988
Russell Williams	Lorimor, Iowa	1988
James Busch	Winterset, Iowa	1989
William K. Easter	Winterset, Iowa	1989
Dale Golightly	Booneville, Iowa	1989

Section 3. As the term of office of each director expires, a successor director, unless the office is declared vacant, shall be elected by the members of the Association at the regular annual meeting of the members for a term not to exceed three (3) years.

Section 4. Upon the death or resignation, or expiration of term of office of any director the members of the Association shall have the power in their absolute discretion to declare the office vacant, in which case no successor shall be elected until such vacancy has been set aside by appropriate action of the

members of the Association; but in no event shall the Board of Directors at any time consist of less than seven (7) members.

Section 5. Any vacancy on the Board of Directors may be filled by a majority of the remaining directors until a successor director has been duly elected at the next annual meeting and qualified, or the office declared vacant as above provided.

Section 6. Directors shall serve until the expiration of the term for which they are elected and until their successors are duly elected and qualified, or the office declared vacant as above provided.

Section 7. A majority of the members of the Board of Directors present in person at any meeting shall constitute a quorum for the transaction of business.

Section 8. The Board of Directors shall adopt Bylaws to govern the affairs of this Association and may alter, amend or repeal the same at will at any time within the limitation of these Articles. The Board of Directors also shall have general management and supervision of the business and affairs of the Association as set forth in the Bylaws. The Board shall also have authority to adopt rules and regulations, policy forms and riders, fix and approve salaries and commissions to be paid, require bonds for officers and employees, issue such information as the welfare of the Association may require, and designate depositories.

Section 9. Nominations for members on the Board of Directors shall not be considered at any meeting of the members unless such nomination has been presented in writing, signed by at least one (1) member proposing the same and signed by the nominee, and filed with the President and Secretary of the Association at least thirty (30) days, prior to the date of the meeting at which said nominations are to be voted upon. From the nominations so made, and no others, members of the Board of Directors shall be elected and the nominee or nominees, as the case may be, receiving the highest number of votes shall be declared elected; and the voting shall be non-cumulative.

Section 10. The Board of Directors, in its discretion, may from time to time in such manner and to such extent as it may deem advisable, fix and determine the amount of dividends, if any, to be distributed to members, or classes or groups thereof, and for such purposes may establish reasonable classifications or groupings of members and plans of payment based on loss ratios, size of risk, class of business, territorial division, or any combination thereof, or any other equitable method; provided, however, such dividends shall be paid only from that part of gains and savings accumulated from the business as the Board of Directors, in its discretion, shall deem unnecessary for the payment of losses and expenses, for surplus requirements and for the general security of the Association and its members.

Section 11. The Board of Directors shall be empowered to constitute and appoint such committees as they may deem to be in the best interests of the Association, which, to the extent provided in the resolution creating the committee, shall have and may exercise such powers as the Board of Directors may designate.

Section 12. The regular annual meeting of the Board of Directors shall be held immediately after the adjournment of the regular annual meeting of the members; and the Board of Directors shall have the power to hold its meetings, either regular or special, at such places and upon such notice as may be designated by the Bylaws or by resolution of the Board. The Board of Directors shall meet on the call of the Secretary of the Association.

Section 13. Compensation of directors shall be fixed by resolution of the Board of Directors.

ARTICLE IX

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

<u>Office</u>	<u>Name</u>	<u>Address</u>
President	Milton Young	Winterset, Iowa
Vice President	William C. Price	Earlham, Iowa
Secretary-Treasurer	Jack D. Mease	Winterset, Iowa
Assistant Secretary	Jerry R. Mease	Winterset, Iowa
- Treasurer		

Section 2. The Board of Directors at its regular annual meeting in each year shall elect for a term of one year, a President, a Vice President, a Secretary and a Treasurer, and may appoint such other officers as it may deem advisable. The Secretary of the Association may also serve as Treasurer if the Board of Directors so designates. In its discretion, it may leave unfilled for any such period as it may fix by resolution, any office except that of President, Treasurer and Secretary.

Section 3. Officers shall be members of the corporation.

Section 4. All officers shall hold office for one year and thereafter until their successors are elected and qualified, or until death, resignation or removal.

Section 5. The officers shall have such powers and perform such duties as may be prescribed in the Bylaws of the Association. Their compensation shall be set, from time to time, by the Board of Directors.

Section 6. Vacancies in any office may be filled by a majority of the Board of Directors for the unexpired term.

Section 7. The President, Vice President and Secretary shall constitute an Executive Committee with such powers as may be specified in the Bylaws and as the Board of Directors may delegate to it. The Executive Committee shall meet on the call of the Secretary. In such meetings a majority shall constitute a quorum.

ARTICLE X

Section 1. The Board of Directors shall establish premium charges for the purpose of payment of losses and expenses and for the establishment or maintenance of a reserve fund.

Section 2. Any funds not required for payment of losses and expenses may be held in a reserve fund deposited with a bank or banks approved by the Board of Directors or invested in the classes of securities permitted by Section 515.35, Code of Iowa.

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

ARTICLE XI

Officers, directors and employees or agents shall be indemnified to the extent permitted in the Bylaws.

ARTICLE XII

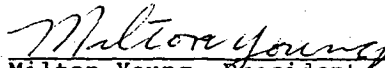
A director of the corporation shall not be liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director, unless the director breaches his duty of loyalty to the corporation or its members, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the director derives an improper personal benefit.


ARTICLE XIII

Section 1. These Articles may be amended upon 30 days written notice of the meeting, at any annual meeting of the members or any special meeting called for that purpose, upon an affirmative vote of two-thirds (2/3) of the members present in person and voting thereon; provided, however, that no amendment, except with the unanimous consent of all members present at the meeting, shall be considered at any meeting unless the same shall have been reduced to writing, signed by the member or members proposing the same, and filed with the President and Secretary of the Association at least thirty (30) days prior to the date of the meeting at which the proposed amendment is to be voted upon.

CERTIFICATE

We, Milton Young and Jack D. Mease, President and Secretary, respectively, of The Farmer's Mutual Insurance Association hereby certify that the foregoing is a true and complete copy of the Amended and Substituted Articles of Incorporation adopted at the annual meeting of the policyholders of the Corporation held on Feb. 13, 1988, pursuant to notice, which meeting was held at the home office of the Corporation in Winterset, Iowa; and pursuant to the authorization of the policyholders at said meeting, we have, as President and Secretary of said Corporation, executed this Certificate and do hereby sign and acknowledge the foregoing Amended and Substituted Articles of Incorporation this 13 day of Feb., 1988.


Milton Young, President

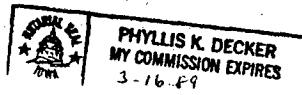

Jack D. Mease, Secretary

STATE OF IOWA)
) ss:
 COUNTY OF MADISON)

On this 13 day of Feb., 1988, before me, a Notary Public in and for the State of Iowa, personally appeared Milton Young and Jack D. Mease, to me personally known to be the identical persons whose names are subscribed to the foregoing Amended and Substituted Articles of Incorporation of Farmer's Mutual Insurance Association, a corporation; that the foregoing instrument was signed on behalf of said Corporation by authority of its policyholders at a duly called meeting held at the home office of the Corporation on Feb. 13, 1988, and that the said Milton Young and Jack D. Mease each acknowledged the execution of said Certificate to be their voluntary act and deed and the voluntary act and deed of the Corporation, by it and each of them voluntarily executed.

IN WITNESS WHEREOF, I have affixed my hand and seal at Winterset, Iowa in the County of Madison, State of Iowa, this 13 day of Feb., 1988.

Phyllis K. Decker
 Notary Public



CERTIFICATE OF APPROVAL

The foregoing Amended and Substituted Articles of Farmer's Mutual Insurance Association, having been submitted to us for examination and found to be in accordance with the provisions of Chapters 491 and 518 of the Code of Iowa, the laws of the State of Iowa and the United States, said Amendment to the Articles of Incorporation are hereby approved this 9th day of March, 1988.

Thomas Miller, Attorney General

By Irvin M. Haskin
Assistant Attorney General

William Hager, Commissioner of Insurance

By Edward L. Lakin
Deputy Commissioner

OFFICE OF THE SECRETARY OF STATE DES MOINES, IOWA			
Instrument recorded in Book	Page	- <u>March 24</u> 19 <u>88</u>	
by <u>Corp.</u>	Cert No <u>C093733</u>	Receipt No	
by <u>Farmer's Mutual Insurance Association, Winterset, Ia.</u>			
Fee <u>9.00</u>	Recording Fee	<u>Elaine Baxter</u>	Secretary of State

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