

BYLAWS
OF
INDEPENDENT INSURANCE AGENTS OF DALLAS

ARTICLE ONE

NAME, PURPOSES, POWERS AND OFFICES

Section 1.1. Name. The name of this association (the “Association”) is Independent Insurance Agents of Dallas.

Section 1.2. Purposes. The Association is organized and shall be operated exclusively as a non-profit corporation for educational purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision(s) of any successor Internal Revenue law or laws (the "Code").

Section 1.3. Powers. The Association is a nonprofit corporation and shall have all the powers, duties, authorizations and responsibilities as provided in the Texas Non-Profit Corporation Act; provided, however, the Association shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income tax as an organization described in Section 501(c)(6) of the Code.

Section 1.4. Offices. The Association may have offices at such places, both within and without the State of Texas, as the Board of Directors may from time to time determine or as the activities of the Association may require.

ARTICLE TWO

MEMBERS

Section 2.1. Qualification and Rights. The membership of this Association shall consist of Agency members, Associate members and Honorary members. An Agency member shall be an “Independent Insurance Agent” as defined in Attachment 2.1. Honorary members and Associate members are not required to be independent insurance agents. Associate members shall consist of any person or firm which has a bona fide interest in or renders a service to the insurance industry and who is not eligible for Agency membership. Associate members may include, without limitation, insurance companies, general agents, surplus lines agents, law firms and adjusters. Honorary members are those which are selected as such by the Board of Directors as worthy of special grant. Only Agency members are entitled to vote. Associate members and Honorary members may attend meetings, participate in discussion, and serve as voting members on committees, but are not entitled to vote in any membership meeting. Dues for each type of membership shall be established by the Board of Directors from time to time.

Section 2.2. Length of Membership. Agency or Associate membership shall be for a period of one year, or the period of time the dues cover, as established by the Board of Directors. Honorary membership is at the discretion of the Board of Directors. Agency or Associate membership shall terminate at the end of the term established by the Board of Directors and may also be terminated or suspended by the Board of Directors or Executive Committee for nonpayment of dues or other financial obligations, for failure to qualify as a member, or for any action of a member that is determined by the Board of Directors to be unprofessional or unethical, or which reflects poorly on the Association. A terminated or suspended member may be reinstated by action of the Executive Committee Board of Directors. Any member of the Association may resign by giving written notice to the Executive Director. No resignation shall eliminate the obligation of the member to pay any dues or other financial obligations which remain outstanding to the Association.

Section 2.3. Delinquency of Membership. Any member which owes dues or other financial obligations which remain unpaid for more than thirty (30) days shall cause the membership to be delinquent. Delinquency of membership may be cured by payment of all delinquent financial obligations. If a member is delinquent in the payment of financial obligations for ninety (90) days, the membership shall be suspended and shall be reinstated only by following procedures for obtaining a new membership in the Association and restitution of all past financial obligations. During the period of delinquency, a member shall have no right to vote.

Section 2.4. Annual Meetings. An annual meeting of the members of the Association shall be held in June of each year at such time and place as shall be determined by the Board of Directors of the Association. At such annual meeting or within 20 days prior to the annual meeting the members shall elect the Board of Directors in the manner provided in Section 3.2 of these Bylaws. The membership, as defined in Section 3.2 of these by-laws, may transact other business at the Annual Meeting. Written notice of the place, date and time of each annual meeting of the members shall not be required.

Section 2.5. Regular or Special Meetings. Regular meetings of the members may be set by the Board of Directors at the time of the first fiscal year (annual meeting) of the Board of Directors. No notice to the general public of meetings of membership is required. Special meetings of the members may be called by the President of the Association, the Board of Directors or by members having not less than one-tenth (1/10) of the votes entitled to be cast at the meeting. Written notice of the place, date, time and purpose of each special meeting of members shall be given to each member not less than ten (10) nor more than sixty (60) days prior to the date thereof. No business shall be transacted at a special meeting of members except as stated in the notice of such meeting.

Section 2.6. Place of Meetings. Meetings of members shall be held at such places, within or without the State of Texas, as may from time to time be determined by the Board of Directors or as may be specified in the respective notices or waivers of notice thereof.

Section 2.7. Record Date. Only those persons or entities who are members of the Association ten (10) days immediately prior to the day upon which the Association gives notice of any meeting to its members or, in the case of an annual meeting, who are members of the

Association ten (10) days prior to the meeting, and are entitled to vote thereat shall be entitled to receive notice of such meeting and to vote at such meeting.

Section 2.8. Quorum and Manner of Acting. The presence in person or by written proxy of 25% of each class of members entitled to vote, at a meeting of members or in an electronic voting system held in accordance with these Bylaws, shall be necessary and sufficient to constitute a quorum for the transaction of business at such meeting. Only one person representing a corporate (agency) member shall be counted in order to establish any quorum. Except as otherwise provided by any statute, the Articles of Incorporation or these Bylaws, the act of a majority of the members voting at any meeting of members or in an electronic voting system at which a quorum is present shall constitute the act of the members, provided that a minimum of 25% of all members entitled to vote cast votes in the affirmative for the particular matter in question. If a quorum is not present at any meeting of the members, the members present and entitled to vote at such meeting shall adjourn the meeting, without notice other than announcement at the meeting, until such time as a quorum is present. At any such adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened. Notwithstanding any of the foregoing, members may be asked to vote on matters in an electronic voting system for which no meeting is held, and a vote cast under that system shall constitute presence for purposes of determining a quorum.

Section 2.9. Voting. Each Agency member shall be entitled to one (1) vote on each matter submitted to a vote at any meeting of members, except as otherwise provided by statute, the Articles of Incorporation or these Bylaws. A member may vote in person by written proxy or secure electronic voting system.

Section 2.10. Telephone, etc. Meetings. Subject to the provisions of applicable law and these Bylaws regarding notice of meetings, members may, unless otherwise restricted by statute, by the Articles of Incorporation or by these Bylaws, participate in and hold a meeting by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, or by using any other suitable communications system. The system must provide access to the meeting in a manner or using a method by which each member participating can communicate concurrently with each other participant). Participation in a meeting pursuant to this Section 2.10 shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

ARTICLE THREE

BOARD OF DIRECTORS

Section 3.1. General Powers; Delegation The activities, property and affairs of the Association shall be managed by its Board of Directors, who may exercise all such powers of the Association and do all such lawful acts and things as are permitted by statute, by the Articles of Incorporation or by these Bylaws.

Section 3.2. Number; Election; Qualifications. The Board of Directors of the Association shall consist of fourteen (14) directors, including the Executive Director of the Association, unless and until otherwise determined from time to time by resolution of the Board; provided that no decrease in number shall have the effect of shortening the term of any incumbent director. Other than the Executive Director, each director shall be an Agency member principal or a representative of that member, appointed by its principal(s). As vacancies permit in accordance with Section 3.3, up to twelve (12) members of the board shall be elected by vote of the Agency members at the annual meeting and one (1) director shall be the outgoing President whose term is expiring August 31 immediately following the annual meeting. At least ninety (90) days prior to the annual meeting of the members of the Association, the Immediate Past President, with the advice and consent of the Board of Directors, shall appoint a five (5) member Nomination Committee to nominate agency members to serve on the Board of Directors in replacement of the outgoing elected members. The Committee shall include the Immediate Past President, who shall preside as Chairman of the Committee, another past President and three (3) non-Board agency members. The Committee shall report its nominations to the Board of Directors and to the general membership in writing before June 1st of each year. Any member may request a business resume of one or more nominees. Should the immediate past President be unable or unwilling to serve on the Nomination Committee, the President shall appoint a past President to serve in that capacity.

Section 3.3. Term of Office. Each elected director of the Association shall hold office for a period of two (2) fiscal years beginning September 1 following the date of election and until such director's successor is chosen and qualified, or until such director's earlier death, resignation, retirement, disqualification or removal from office. The incoming President, President-elect and Secretary/Treasurer shall hold their respective executive office for one (1) fiscal year beginning September 1st, regardless of their expiring term as director. The outgoing President described in Section 3.2, who shall serve without election by the Agency members for one (1) year beginning September 1 following the his/her term as President. Other than officers described in this section, the terms of the members of the Board of Directors elected by the Agency members shall be two (2) years and shall be so staggered such that there shall be an election each year of not less than two (2) directors. No director, other than an elected officer or the Immediate Past President shall serve more than two (2) successive terms, but shall be eligible for reelection after not having served as a director for at least two (2) consecutive years. However, any board member may be elected to an additional term if necessary to fulfill the office of President or to serve as the Immediate Past President designee. Exceptions to the limitations of terms described within this section may be made upon a majority vote of the Board of Directors for reasons necessary to assure the continued business of the Board, but in no case may an individual representing an agency member serve on the Board of Directors for more than nine (9) consecutive fiscal years.

Section 3.4. Filling of Vacancies. Any vacancy occurring in the Board of Directors resulting from the death, resignation, retirement, disqualification or removal from office of any director shall be filled by appointment of the remaining directors. Any director elected or appointed to fill a vacancy shall hold office for the remaining term of the director who has been replaced until such director's successor is chosen and qualified, or until such director's earlier death, resignation, retirement, disqualification or removal from office.

Section 3.5. Removal. Any director may be removed, either for or without cause, in the same manner that such director was appointed or elected in accordance with the Association's Articles of Incorporation and these Bylaws, if notice of the intention to act upon such matter shall have been given in the notice of such meeting and if such notice is provided to the director proposed to be removed.

Section 3.6. Place of Meetings. Meetings of the Board of Directors shall be held at such places, within or without the State of Texas, as may from time to time be fixed by the Board of Directors or as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 3.7. Annual Meeting of the Board of Directors. An annual meeting of the Board of Directors shall be held within sixty (60) days following the annual meeting of members, at the time and place fixed by notice sent by the President or Secretary/Treasurer, acting with the consent of the President. At such annual meeting, the sitting Board of Directors shall take nominations and elect officers for the next fiscal year. Only those sitting board members who have served for the entire fiscal year as of the date of the vote, may be nominated and/or elected as officers. Newly elected Directors' and newly elected Officers' terms of office will begin September 1.

Section 3.8. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as may be fixed from time to time by resolution adopted by the Board and communicated by notice to all directors. Except as otherwise provided by statute, by the Articles of Incorporation or by these Bylaws, any and all business may be transacted at any regular meeting.

Section 3.9. Special Meetings. Special meetings of the Board of Directors may be called by the President upon not less than one (1) nor more than 60 days' notice to each director. Special meetings shall be called by the President or Secretary/Treasurer in like manner and on like notice on the written request of five (5) or more directors. Except as otherwise provided by statute, by the Articles of Incorporation or by these Bylaws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 3.10. Quorum and Manner of Acting. At all meetings of the Board of Directors, the presence of a majority of the number of directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by statute, by the Articles of Incorporation or by these Bylaws. At the discretion of the President, in a case of reasonable circumstances prohibiting a board member from personally attending a Board meeting, the board member may attend the meeting by using a communications method described in Section 2.10 of these by-laws. Directors may not vote by proxy. The act of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by statute, by the Articles of Incorporation or by these Bylaws, in which case the act of such greater number shall be requisite to constitute the act of the Board. If a quorum shall not be present at any meeting of the directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such

adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened.

Section 3.11. Directors' Compensation. No director shall receive compensation for services as a director or as a member of a standing or special committee of the Board. Nothing herein contained shall be construed to preclude any director from receiving reimbursement for expenses incurred on behalf of the Association as director or in any other capacity in behalf of the Association.

Section 3.12. Telephone, etc. Meetings. Subject to the provisions of applicable law and these Bylaws regarding notice of meetings, members of the Board of Directors or members of any committee designated by such Board may, unless otherwise restricted by statute, by the Articles of Incorporation or by these Bylaws, participate in and hold a meeting of such Board of Directors or committee by using communication methods described within Section 2.10 of these by-laws. Notwithstanding section 3.10, participation in a meeting pursuant to this Section 3.12 shall require the consent of the President to constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 3.13. Advisory Directors. Advisory directors, none of whom shall have or exercise any authority, responsibility or duties of a director in office or in the management of the Association, may be appointed by majority vote of the Board of Directors. Advisory directors shall have no vote on matters considered by the Board of Directors, but shall have the right to attend all meetings of such Board of which they receive notice. Any advisory director may be removed by majority vote of the Board of Directors. The Executive Director of the Association shall be an Advisory Director. In addition, the incoming President shall appoint one (1) additional past President of the Association to serve as an Advisory Director without voting privilege. The appointment shall be for a one (1) year term beginning September 1 and that appointee shall not be eligible for reappointment by a succeeding President until after three (3) years have elapsed from the time of first appointment as Advisory Director. This restriction shall not preclude a past President from being reelected to the Board of Directors by the membership at large.

ARTICLE FOUR

COMMITTEES

Section 4.1. Committees of Directors. An Executive Committee shall be created each fiscal year which shall be comprised of the President, President Elect, Secretary/Treasurer and the Executive Director of the Association, which Executive Committee shall function under the direction of the Board of Directors and which shall serve as an advisory committee to the Executive Director. Additionally, an Executive Director's Operating committee (also referred to as Management Committee) shall be created each fiscal year and shall be comprised of the President, President-elect, Secretary/Treasurer and the Executive Directors. The Operating committee shall perform such duties and have such authority as may be delegated to it by the Board of Directors.

Section 4.2. Advisory Boards or Committees. Advisory boards or committees not having and exercising the authority, responsibility or duties of the Board of Directors in the management of the Association may be designated by a resolution adopted by the directors. Except as otherwise provided in such resolution, members of each such advisory board or committee need not be directors of the Association. The President or Executive Director shall appoint the members of such advisory boards or committees which may include any member or representative of a member of the Association. Any member thereof shall serve at the pleasure of the Board of Directors may be removed by the Board of Directors at any time.

Section 4.3. Term of Committee Members. Each member of a committee of directors or advisory board or committee shall continue as such until the next annual meeting of the directors of the Association and until such member's successor is appointed, unless the board or committee is sooner terminated, or unless such member is removed from such board or committee or shall cease to qualify as a member thereof. The terms of advisory or board committee members may be limited from time to time as determined by the Board of Directors.

Section 4.4. Chairman. Unless otherwise designated by these Bylaws, one or more members of each directors' committee or advisory board or committee shall be appointed chairman, or co-chairman, by the person or persons authorized to appoint the members thereof.

Section 4.5. Vacancies. Vacancies in the membership of any committee of directors or advisory board or committee may be filled by appointment made in the same manner as provided in the case of the original appointment.

Section 4.6. Quorum; Manner of Acting. Unless otherwise provided in the resolution of the Board of Directors designating a committee of directors or advisory board or committee, a majority of the whole board or committee shall constitute a quorum, and the act of the majority of the members present at a meeting in accordance with Section 2.10 of these by-laws and at which a quorum is present shall be the act of the board or committee.

Section 4.7. Rules. Each committee of directors or advisory board or committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE FIVE

NOTICES

Section 5.1. Manner of Giving Notice. Whenever, under the provisions of any statute, the Articles of Incorporation or these Bylaws, notice is required to be given to any member, director or committee member of the Association, and no provision is made as to how such notice shall be given, it shall not be construed to require personal notice, but any such notice may be given in writing by hand delivery, by facsimile transmission, by e-mail, or by mail, postage prepaid, addressed to such member, director or committee member at such person's address as it appears on the records of the Association. Any notice required or permitted to be given by mail shall be deemed to be delivered at the time when the same shall be deposited in the United States

mails. Any notice required or permitted to be given by facsimile or shall be deemed to be given upon successful transmission of that facsimile or email.

Section 5.2. Waiver of Notice. Whenever any notice is required to be given to any member, director or committee member of the Association under the provisions of any statute, the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE SIX

OFFICERS, EMPLOYEES AND AGENTS: POWERS AND DUTIES

Section 6.1. Elected Officers. The elected officers of the Association shall include a President, a President Elect, and a Secretary/Treasurer. The elected officers must be members of the Board of Directors.

Section 6.2. Election. So far as is practicable, the President Elect and the Secretary/Treasurer shall be elected by the Board of Directors at each annual meeting thereof. The President Elect shall automatically succeed to President following the end of his or her term as President Elect.

Section 6.3. Appointive Officers. The Board of Directors may also appoint an Executive Director, one or more Assistant Secretaries and Assistant Treasurers, and such other officers and assistant officers and agents as it shall from time to time deem necessary, who shall exercise such powers and perform such duties as shall be set forth in these Bylaws or as determined from time to time by the Board.

Section 6.4. Two or More Offices. No two (2) or more offices may be held by the same person, except that the Secretary/Treasurer may be the same person.

Section 6.5. Compensation. None of the officers of the Association shall be compensated except for the Executive Director. The terms for compensation of the Executive Director shall be established by the Board of Directors from time to time. The Board of Directors may from time to time delegate to the President the authority to fix the compensation of any or all of the other employees and agents of the Association.

Section 6.6. Term of Office; Removal; Filling of Vacancies. Each elected officer of the Association shall hold office until such officer's successor is chosen and qualified in such officer's stead or until such officer's earlier death, resignation, retirement, disqualification or removal from office. Each appointive officer shall hold office at the pleasure of the Board of Directors without the necessity of periodic reappointment. Any officer or agent may be removed at any time by the Board of Directors or the Executive Committee. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 6.7. President. The President shall be the chief executive officer of the Association and, subject to the provisions of these Bylaws, shall have general supervision of the

activities and affairs of the Association and shall have general control thereof. The President shall preside when present at meetings of the Board of Directors or members and to decide all points of order. The President shall have general authority to execute bonds, deeds and contracts in the name of the Association and to affix the corporate seal thereto. and in general to execute all resolutions and decisions of the Board of Directors and all the powers usually appertaining to the office of president of a Association, except as otherwise provided by statute, the Articles of Incorporation or these Bylaws. In the absence or disability of the President, the duties of such office shall be performed and the powers may be exercised by the President Elect, unless or until otherwise determined by the Board of Directors.

Section 6.8. President Elect. The President Elect shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the President or the Board of Directors.

Section 6.9. Secretary/Treasurer. The Secretary/Treasurer shall see that any required notice is given of all annual and special meetings of the Board of Directors and shall keep and attest true records of all proceedings at all meetings of the Board. The Secretary/Treasurer shall have charge of the corporate seal (if any) and shall have authority to attest any and all instruments of writing to which the same may be affixed. The Secretary shall keep and account for all books, documents, papers and records of the Association, except those for which some other officer or agent is properly accountable. The Secretary shall generally perform all duties usually appertaining to the office of secretary of a corporation. The Secretary/Treasurer shall be the chief accounting and financial officer of the Association and shall have active control of and shall be responsible for all matters pertaining to the accounts and finances of the Association and shall direct the manner of certifying the same; shall supervise the manner of keeping all vouchers for payments by the Association and all other documents relating to such payments; shall receive, audit and consolidate all operating and financial statements of the Association and its various departments; shall have supervision of the books of account of the Association, their arrangements and classification; shall supervise the accounting and auditing practices of the Association and shall have charge of all matters relating to taxation. The Secretary/Treasurer shall have the care and custody of all monies, funds and securities of the Association; shall deposit or cause to be deposited all such funds in and with such depositories as the Board of Directors shall from time to time direct or as shall be selected in accordance with procedures established by the Board; shall advise upon all terms of credit granted by the Association; shall be responsible for the collection of all its accounts and shall cause to be kept full and accurate accounts of all receipts, disbursements and contributions of the Association. The Secretary/Treasurer shall have the power to endorse for deposit or collection or otherwise all checks, drafts, notes, bills of exchange or other commercial papers payable to the Association, and to give proper receipts or discharges for all payments to the Association: The Secretary/Treasurer shall generally perform all duties usually appertaining to the office of treasurer of a corporation. Any of the duties of the Secretary/Treasurer may be delegated by the Secretary/Treasurer, the President or the Board of Directors to the Executive Director. In the absence or disability of the Treasurer, the duties of such office shall be performed and the powers may be exercised by the Executive Director, and if not available, then by the Assistant Treasurers in the order of their seniority, unless otherwise determined by the Secretary/Treasurer, the President or the Board of Directors.

Section 6.10. Assistant Secretary/Treasurers. Each Assistant Secretary/Treasurer shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the Secretary/Treasurer, the President or the Board of Directors.

Section 6.11. Executive Director. The Executive Director shall be the Chief Operating Officer of the Association and shall answer directly to the Board of Directors. The Executive Director shall have such duties and responsibilities as shall be determined from time to time by the Board of Directors. The Executive Director may be removed at any time by the Board of Directors. The Executive Director shall have no right to receive notice of, or to be present at, a Board of Directors at which the Executive Director's compensation or status is to be considered.

Section 6.12. Additional Powers and Duties. In addition to the foregoing specially enumerated duties, services and powers, the several elected and appointed officers of the Association shall perform such other duties and services and exercise such further powers as may be provided by statute, the Articles of Incorporation or these Bylaws, or as the Board of Directors may from time to time determine.

ARTICLE SEVEN

INDEMNIFICATION

Section 7.1. Indemnification. The Association shall indemnify any person who is or was director, officer, agent or employee of the Association for expenses and costs (including attorneys' fees and fines) actually and necessarily incurred in connection with any claim asserted against such director, officer, agent or employee, by action in court or otherwise, by reason of being or having been a director, officer, agent or employee; provided that with respect to: (i) any criminal action or proceeding, such person had no reasonable cause to believe that the conduct was unlawful; or (ii) any civil claim, issue or matter, such person shall not be guilty of gross negligence or willful misconduct in the performance of his or her duties to the Association. Termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that such person had reasonable cause to believe that the conduct was unlawful, or that such person did not act in good faith or in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Association.

Section 7.2. Procedure for Indemnification. Indemnification shall be made by the Association only as authorized in each specific case upon the determination that indemnification of such person is proper in the circumstances because he or she has met the applicable standards of conduct as set forth in section 7.1 hereof. Such determination shall be made: (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (ii) if such quorum is not obtainable, by independent legal counsel in a written opinion. Indemnification so determined may be paid, in part, before the termination of such action, suit or proceeding upon the receipt by the Association of an undertaking by or on behalf of the person claiming such indemnification to repay all sums so advanced if it is subsequently determined that he or she is not entitled thereto as provided in this Article.

Section 7.3. Other Provisions. To the extent that a director, officer, employee or agent of the Association has been successfully defended on the merits or otherwise is absolved of any unlawful act or gross negligence or willful misconduct in the defense of any action, suit or proceeding, whether civil or criminal, such person shall be indemnified against such expense (including cost and attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Indemnification provided herein shall be exclusive of any and all other rights and claims to which those indemnified may be entitled as against the Association and every director, officer and employee thereof. The indemnification provided herein shall inure to the benefit of the heirs, executors and administrators of any person entitled thereto under the provisions of this section.

Section 7.4. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, against liability asserted against such person and incurred by such person in any such capacity, arising out of the status of such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of these Bylaws.

ARTICLE EIGHT

CONTRACTS, CHECKS, DEPOSITS AND AUDIT

Section 8.1. Contracts. The Board of Directors may authorize any officer or officers, or agent or agents, of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 8.2. Checks, Drafts or Orders for Payment. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, or agent or agents, of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination, such instruments shall be signed by the President and the Secretary/Treasurer of the Association. The Board of Directors shall cause all officers and employees charged with the responsibility of handling the Association funds to be bonded.

Section 8.3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select or as may be selected in accordance with procedures established by the Board.

Section 8.4. Audit. The Board of Directors shall require a review of the accounts of the Association at least once each fiscal year by an independent certified public accountant and shall require an audit by an independent certified public accountant at least once every three (3) years.

Section 8.5. Withdrawals from IIAD Investment Accounts. Withdrawals from Investment Accounts or Certificates of Deposit will require three signatures of Officers, after prior notification to the Board of Directors.

ARTICLE NINE

ACTIONS WITHOUT MEETINGS

Section 9.1. Unanimous Consent. Any action required or permitted to be taken at any meeting of members, directors or committee members may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the members, directors or committee members, as the case may be entitled to vote at such meeting. Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any document.

Section 9.2. Other Action Without a Meeting. Subject to whether authority is granted in the Articles of Incorporation of the Association, any action required or permitted to be taken at any meeting of members, directors or committee members may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by a sufficient number of members, directors or committee members, as the case may be, as would be necessary to take that action at a meeting at which all persons entitled to vote on the action were present and voted. Prompt notice of the taking of any action by members, directors or committee members without a meeting by less than unanimous written consent shall be given to those members, directors, or committee members who did not consent in writing to the action and who were entitled to vote thereon. Every written consent signed by less than all the members, directors or committee members entitled to vote with respect to the action that is the subject of the consent shall bear the date of signature of each person who signs the consent. No written consent signed by less than all the members, directors or committee members entitled to vote with respect to the action that is the subject of the consent shall be effective to take such action unless, within sixty (60) days after the date of the earliest dated consent delivered to the Association in the manner required by law, a consent or consents signed by not less than the minimum number of members, directors or committee members that would be necessary to take the action that is the subject of the consent are delivered to the Association by delivery to its registered office, registered agent, or principal place of business, or by delivery to an officer or agent of the Association having custody of the books in which proceedings of meetings of members are recorded.

Section 9.3. Manner of Writing. A telegram, telex, cablegram, email or other conventional and reasonably acceptable method of transmission by a member, director or committee member, or a photographic, photostatic, facsimile or similar reproduction of a writing signed by a member, director or committee member, shall be regarded as signed by the member, director or committee member for purposes of Section 9.1 or 9.2.

ARTICLE TEN

MISCELLANEOUS

Section 10.1. Dividends Prohibited. No part of the net income of the Association shall inure to the benefit of any private individual and no dividend shall be paid and no part of the income of the Association shall be distributed to its directors or officers. Notwithstanding the

foregoing, the Association may pay compensation in a reasonable amount to its Executive Director for services rendered and may reimburse its directors as provided in Section 3.11.

Section 10.2. Loans to Officers and Directors. Any loan by the Association to an officer may be made only in the manner and to the extent provided in the Texas Non-Profit Corporation Act. Except as provided in the preceding sentence, no loans shall be made by the Association to its officers, and in no event shall any loans be made by the Association to its directors. Any directors voting for or assenting to the making of any loan to a director or officer which is prohibited by the Texas Non-Profit Corporation Act, and any officer participating in the making thereof, shall be jointly and severally liable to the Association for the amount of such loan until repayment thereof.

Section 10.3. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 10.4. Seal. The Association's seal, if any, shall be in such form as shall be adopted and approved from time to time by the Board of Directors. The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed, imprinted or in any manner reproduced.

Section 10.5. Gender. Words of either gender used in these Bylaws shall be construed to include the other gender, unless the context requires otherwise.

Section 10.6. Invalid Provisions. If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as is possible and reasonable, shall remain valid and operative.

Section 10.7. Headings. The headings used in these Bylaws are for convenience only and do not constitute matter to be construed in the interpretation of these Bylaws.

Section 10.8. Parliamentary Procedure. All meetings shall be governed by parliamentary rules as stated in Roberts Rules of Order.

Section 10.9. Dissolution. The Association shall use its funds only to accomplish the objectives and purposes specified in the Articles of Incorporation and Bylaws, and no part of said funds shall inure, or be distributed, to the members of the Association, including without limitation on dissolution. On dissolution of the Association, any funds remaining shall be distributed to the IIAD Foundation unless such distribution shall not qualify for federal tax exemption, and otherwise to organizations exempt from tax under Section 501 (c) (3), Internal Revenue Code of 1986, or its successor statute, or which are described in Section 170 (c) (1) or (2), Internal Revenue Code of 1986, or its successor statute.

ARTICLE ELEVEN

AMENDMENTS

These Bylaws may be amended or repealed, or new bylaws may be adopted, by the affirmative vote of a majority of the members then serving as such. The proposed amendment,

repeal or adoption of or to the by-laws must be provided to the members by notification to the most recent electronic or mailing address contained in each member's association file. The notice shall include a voting request that provides not less than ten (10) calendar days to respond to the office of the association by electronic or written correspondence, in person at the offices of the association or at a general membership meeting of the association> Other methods of conventional methods of communication may be considered acceptable to the Board of Directors. Each association member shall be offered more than one method of casting a vote. The foregoing notice requirement shall not prohibit the members from adopting the proposed amendment(s), effecting the proposed repeal or adopting the proposed new bylaws, as the case may be, in a modified form which is not identical to that described or set forth in the notice of such meeting.

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The undersigned, being the duly elected and qualified Secretary of the Association, hereby certifies that the foregoing Bylaws of the Association were duly adopted by the members of the Association effective January 12, 2021.

_____, Secretary

IIAD Agency Membership – “Independent Insurance Agent”

Eligibility: IIAD membership is open to agencies that have the contractual freedom and unqualified discretion to place business with any insurance company available to the agency. The agency cannot be associated publicly with any insurance company that limits in any way the free choice of markets, and the agency must meet all of these criteria:

1. Have a Texas general lines or limited lines Property & Casualty or general lines Life & Health license
2. Operate on a commission &/or fee basis and as an independent contractor
3. Have, by contract with insurance companies, ownership of agency accounts and policy expirations
4. Subscribe to IIAD’s bylaws