

ARTICLES OF INCORPORATION

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, for the purpose of forming a corporation under and pursuant to Chapter 58, G.S., 1923 and acts amendatory thereof and supplementary thereto have signed and do hereby adopt the following Certificate on Incorporation.

ARTICLE I

Sec. 1. The name of the Corporation shall be Volunteer Firemen's Benefit Association of Minnesota.

Sec. 1 (a). Effective June 15, 1996, the name of this Corporation will be the Volunteer Firefighters' Benefit Association of Minnesota.

I, Jim Falconer, Secretary of the Volunteer Firefighters' Benefit Association of Minnesota, certify that the foregoing amendment was adopted on June 14, 1996.

Sec. 2. The purpose for which this Association is formed is the transaction of health and accident insurance upon the cooperative assessment plan as provided by Section 3428, G.S., 1923 and acts amendatory thereof or supplementary thereto.

Sec. 3. The principal place of business of the Association shall be in the City of Baxter, Minnesota, 56425.

ARTICLE II

Sec. 1. The period of duration of said Corporation shall be perpetual from April 30, 1927.

ARTICLE III

Sec. 1. The names and places of residence of the persons forming this Corporation are:

W.L. Murphy, Caledonia, MN

Fred Pfaender, New Ulm, MN

J.P. Brinkhaus, Chaska, MN

W.J. Luedke, White Bear, MN

George Fish, Sauk Centre, MN

Ed Lende, Appleton, MN

A.G. Larson, Nashwauk, MN

C.W. Lotterer, Perham, MN

W.T. Berry, Wayzata, MN

ARTICLE IV

Sec. 1. The Government of this Association and management of its business and affairs shall be vested in a board of nine (9) directors.

And at the first annual meeting of the Corporation, held on the second Monday of June, 1927, three (3) directors shall be elected for a term of one (1) year, three (3) for a term of two (2) years, three (3) for a term of three (3) years. Thereafter, three (3) directors shall be elected annually for a term of three (3) years.

Wm. L. Murphy, Fred Pfaender, J.P. Brinkham, W.J. Luedke, George Fish, Ed Lende, A.G. Larson, C.W. Lotterer and W.T. Berry shall constitute the first Board of Directors and shall serve until the first annual election and until their successors are elected and have qualified.

ARTICLE V

Sec. 1. This Association shall operate without profit, without capital stock and shall conduct its business on the cooperative or assessment plan.

ARTICLE VI

Sec 1. The highest amount of indebtedness or liability to which this Association shall at any time be subject, exclusive of its policy liability, shall be the sum of twenty five thousand dollars (\$25,000.00).

ARTICLE VII

Sec. 1. The first Board of Directors shall adopt By-Laws which shall remain effective until and except as amended by the members at any regular or special meeting called thereof.

IN TESTIMONY WHEREOF, WE HAVE HEREUNTO SET OUR HANDS AND SEALS THIS 31ST DAY OF May, 1927.

WM. L. MURPHY

FRED PFAENDER

JOHN P. BRINKHAUS

W. J. LUEDKE

GEORGE FISH

ED LENDE

A.G. LARSON

C.W. LOTTERER

W.T. BERRY

JNO A. GROSS

Witness

R.E. BALDWIN

Witness

County of Hennepin

ss

State of Minnesota

Be it known that on this 31st day of May, A.D., 1927, before me, a Notary Public within and for said County, came the above named W.L. Murphy, Fred Pfaender, J.P. Brinhkaus, W.J. Luedke, George Fish, Ed Lende, A.G. Larson, C.W. Lotterer and W.T. Berry, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

EDW D. THOMPSON

Notary Public

(Notarial Seal) Hennepin County, MN

My commission expires May 31, 1930.

Department of Insurance,

State Capitol,

St. Paul, MN

May 31st, 1927

The within Articles of Incorporation is hereby approved.

Signed) G.W. Wells, Jr.

Commissioner of Insurance

Department of State

State of Minnesota

I do hereby certify that the above instrument was filed for record in this office on the 7th day of June, A.D., 1927, at 10 o'clock A.M., and was duly recorded in Book U-4 of Incorporation, on Page 708.

MIKE HOLM

Secretary of State

Office of Register of Deeds

County of Hennepin

I do hereby certify that the above instrument was filed in this office for record on the 27th day of June, A.D., 1927, at 11:40 o'clock A.M., and was duly recorded in Book 264 of Miscellaneous, page 595, etc.

AUGUST W. SKOG

Register of Deeds

FIRST AMENDMENT TO ARTICLES OF INCORPORATION

(Adopted June 10, 1988)

ARTICLE IX.

Sec. 1. As fully authorized and to the maximum extent permitted by Minnesota Statute, Directors of this Corporation shall not be personally liable to the corporation or its members for monetary damages for any breach of fiduciary duty as a director. No amendment to or repeal of this Article IX shall apply to or have any effect on the liability of any director of the corporation for or with respect to any acts or omissions of a Director occurring prior to such amendment or repeal.

State of Minnesota)

ss.

County of Fillmore)

I, Leroy A. Erickson, Secretary, Volunteer Firemen's Benefit Association of Minnesota, certify the foregoing amendment was adopted June 10, 1988.

Leroy A. Erickson

Secretary

VOLUNTEER FIREFIGHTERS' BENEFIT ASSOCIATION OF MINNESOTA

BY-LAWS

ARTICLE I

Name and Object

Section 1. This organization is named and shall be known as "Volunteer Firefighters' Benefit Association of Minnesota," and its general object and purpose shall be to create, establish and maintain a fund for the relief and support of volunteer firefighters who sustain injury, sickness, disability or loss of life in the line of duty, who at the time of such injury, sickness, disability or loss of life are members in good standing of the Association. Association funds shall be provided by dues, donations, assessment of members and other proper means.

ARTICLE II

Membership

Section 1. All active firefighters belonging to any Minnesota volunteer fire department are eligible and may apply for membership in the Association upon payment of the annual Association dues then currently assessable, together with a membership fee of four dollars (\$4.00), said payment to accompany their applications upon forms provided by the Secretary of the Association and addressed to the Secretary. Individuals or entire membership of a volunteer fire department may join the Association. Members shall be at least eighteen (18) years of age and not more than sixty-five (65) years of age at the time of submitting membership application.

Section 2. Each volunteer firefighter holding membership in the association shall pay such dues annually in advance to the secretary of the Association as the Board of Directors shall recommend from time to time, subject to membership approval at the Annual Meeting.

Section 3. A grace period of thirty (30) days will be granted to each member for the payment of dues falling due after the initial membership dues are paid during which grace period and benefits shall remain in force.

Section 4. Firefighters who are full time employees of a fire department shall be known as "Paid Firefighters." Each "Paid Firefighter" who is a member of a Volunteer Fire Department the majority of whose members now hold membership in the Association, shall pay such dues as the Board of Directors shall recommend from time to time, subject to membership approval at the Annual Meeting.

Section 5. Any member who retires from active service may continue to maintain membership in the Association by paying the annual dues as specified in the bylaws. Such a member shall be excluded from all benefits and shall be designated as a "Non-Benefit Member." If a Director of the Association, all Association benefits shall apply while acting in an official capacity for the Association.

Section 6. The term "Volunteer Fire Department", as used in these bylaws, shall mean a fire department in which more than one-half of the active members are volunteers, or a fire department in which, on January 1, 1967, more than one-half of the active members were members of the Association.

ARTICLE III

Management and Control

Section 1. The Managing Board of the Association shall be composed of nine (9) Directors representing nine (9) districts consisting of the following counties:

1st District: Houston, Fillmore, Mower, Freeborn, Winona, Olmsted.

2nd District: Renville, Brown, Blue Earth, Faribault, Martin, Jackson, Cottonwood, Nicollet, Sibley, Watonwan.

3rd District: Goodhue, Wabasha, Dodge, Steele, Waseca, LeSueur, Rice, Scott, Dakota (south portion).

4th District: Washington, Ramsey, Chisago, Pine, Dakota (north portion).

5th District: Hennepin, Carver, McLeod, Wright, Sherburne, Anoka, Isanti.

6th District: Stearns, Meeker, Kandiyohi, Pope, Todd, Morrison, Crow Wing, Aitkin, Mille Lacs, Kanabec,

Benton, Wadena, Stevens.

7th District: Lyon, Redwood, Murray, Nobles, Rock, Pipestone, Lincoln, Yellow Medicine, Lac Qui Parle,

Chippewa, Swift, Big Stone.

8th District: Koochiching, St. Louis, Lake, Cook, Itasca, Beltrami, Lake of the Woods, Roseau, Kittson,

Carlton.

9th District: Ottertail, Grant, Traverse, Wilkin, Red Lake, Mahnomen, Clearwater, Cass, Hubbard,

Becker, Douglas, Clay, Norman, Polk, Marshall, Pennington.

Section 2. No person shall be eligible to serve as a Director unless a dues paying member in good standing of the Association.

ARTICLE IV

Election of Directors and Officers

Section 1. A member in good standing of this Association who intends to run for a Director position must file with the Secretary of the Association by written notice 90 days prior to the annual meeting in order to allow sufficient time for the secretary to send those names to the Departments of members within that district in preparation for the caucus vote (or Delegate Proxy vote) at the annual meeting of the Association. The delegates from each district in which the Director's term has expired, shall caucus and elect a Director who is a member of a Department of that District who has filed ninety (90) days prior to the annual meeting with the Secretary of the Association. Each caucus shall select a presiding officer from its members who shall thereafter conduct the caucus business in accordance with rules of Parliamentary Procedure. All caucus issues shall be resolved by a majority vote of the caucus members present and the Proxy votes from that District's delegates that may pertain to those issues (including elections).

Section 2. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, each of whom shall be elected at the Organizational Meeting of the Board of Directors which shall be held immediately following the Annual Meeting each year.

Section 3. Three (3) directors shall be elected annually. Terms of office shall be effective commencing with the Board of Directors meeting next following election to the Board. Each retiring officer or director, after the installation of a successor, shall turn over to said successor all monies, valuable papers, books of account, business documents, stocks of business and stationery supplies and other property belonging to the Association which is possessed by reason of the position formerly held.

The ratio of paid firefighters to volunteer firefighters who may serve as directors of the Association shall be no more than the ratio of Association members who are paid firefighters to those who are volunteer firefighters, as said ratio is determined by the Secretary from the membership list not more than thirty (30) days prior to the annual meeting. At all times at least one (1) Paid Firefighter may serve as Director if duly elected.

Whenever the Secretary shall determine that one or more paid firefighters may be elected, then those districts which are due to elect directors shall vote in succession until the number of directorships, which may be held by paid firefighters have been so filled, after which the remaining district or districts which have not yet voted may not elect any paid firefighters. This provision shall not be construed to mean that the number of Directorships which may be filled by paid firefighters must be so filled.

When it becomes necessary for any districts to elect their respective directors in succession, the order in which such elections take place shall be determined by lots drawn by the Secretary of the Association in the presence of the President.

Section 4. Whenever the funds in the treasury are reduced to an amount that would warrant the levying of an assessment upon all members, the Board of Directors shall make a full report of the condition of the several funds at the regular Annual Meeting, or if necessary, at a Special Meeting of the members of the Association. The voting members, by proxy or present, at such Annual or Special Meeting, shall determine the amount to be assessed and levied, and the method for payment of same. After proper resolution by such annual or special meeting, the Board of Directors shall then call and provide for the collection of each assessment or assessments.

Section 5. Five (5) directors shall constitute a quorum for the transaction of business at either regular or special meetings of the Board of Directors.

Section 6. In case a vacancy occurs in the Board of Directors for any reason, the remaining members of the Board shall appoint a replacement director for the unexpired portion of the term only. Each such appointee shall be a resident of the district in which such a vacancy occurs.

Section 7. No person shall be elected or re-elected as a director after having attained the age of sixty-five (65) years.

ARTICLE V

Annual Meeting

Section 1. The Annual Meeting of the Association for the election of directors to replace those whose terms have expired and the transaction of other business shall be held at the same location and date as the Annual Conference of the Minnesota State Fire Department Association.

Section 2. Each fire department which has one through twenty-five (25) members of the Association shall be entitled to send one (1) voting delegate or proxy vote to an Annual or Special Meeting. Each fire department which has twenty-six (26) or more members of the Association shall be entitled to send two (2) voting delegates or proxy votes to an Annual or Special Meeting. Voting delegates shall be members of the association.

Section 3. The Secretary shall, no less than thirty (30) days prior to any Annual or Special Meeting of the Association, provide to each fire department having members in this Association, along with the notice of said meeting, the proper number of distinctive identification cards which shall be used by the delegates to identify themselves as voting delegates.

Section 4. All voting shall be by written ballot unless in the discretion of the presiding officer and unanimous consent of the delegates, a more appropriate method of voting is acceptable. Departments may vote by proxy in the following manner: written request for proxy voting forms must be received in the Secretary's office not less than fifteen (15) days prior to the Annual or Special Meeting. Proxy voting forms will be returned to the requesting department together with a special Association addressed envelope. Executed proxy votes accompanied by the voting delegate identification cards must be mailed by the voting department in sufficient time to be received by the Secretary three (3) days prior to the date of the Annual or Special Meeting.

ARTICLE VI

Officers Duties and Responsibilities

Section 1. The President shall –

- a. preside at all meetings of the Association and of the Board of Directors;
- b. perform such duties as may be required by law or as may be required by the Board of Directors.
- c. within thirty (30) days after being elected, appoint three (3) directors who are not officers, who shall constitute an examining finance committee, and whose duty shall be to examine the books and records of the Secretary and the Treasurer and report their findings at the Annual Meeting;
- d. sign all orders drawn on the Treasurer by the Secretary;

- e. appoint a Parliamentarian for each Annual or Special Meeting;

Section 2. The Vice President shall –

- a. perform duties of the President upon the President's absence or inability to act;
- b. perform such other duties as may be prescribed from time to time by the Board of Directors;

Section 3. The Secretary shall -

- a. be the recording officer of the Association;
- b. have charge of all the records;
- c. attend to all the duties pertaining to that office as may be required by the Board of Directors;
- d. collect all dues and assessments from the members and pay all such funds over to the Treasurer of the Association at least once each month, taking a receipt therefore;
- e. pay out or sign vouchers only under the direction of the Board of Directors;
- f. when required by the Board of Directors, make a full report of the financial condition of the Association.
- g. at the Annual Meeting, submit a full, true and specific report of all receipts and expenditures for the preceding year.
- h. give a bond for the faithful performance of duties in such a sum as the Directors may from time to time require, but never less than sixty thousand dollars (\$60,000.00). The bond shall be purchased with Association funds, approved by the Board of Directors, and filed with the President.

Section 4. The Treasurer shall –

- a. keep all the funds of this Association and deposit them in a depository named by the Board of Directors and disburse the same under the direction of the Board of Directors by check only, drawn on such funds and countersigned by the President and Secretary;
- b. perform such duties as the Board of Directors or By-Laws may prescribe;
- c. give a bond for the safekeeping of such funds in such a sum as may be required by the Board of Directors and subject to their approval, but in a sum of never less than sixty thousand dollars (\$60,000.00) The bond shall be purchased with Association funds, approved by the Board of Directors and filed with the President;
- d. deposit all bonds and securities in a safety deposit box, rented by the Association in a suitable bank designated from time to time by the Board of Directors.

Section 5. The Medical Officer shall be appointed by the Board of Directors. The Medical Officer must be a practicing physician or surgeon of good reputation in that profession, shall not be a member of the Association and shall pass upon such applications and claims for indemnity as shall be submitted by the Secretary.

Section 6. The Parliamentarian shall be appointed by the President in accordance with Article VI, Section 66 of the By-Laws and attend annual or special Meetings of the Association for the purpose of clarifying points of order, to aid in the interpretation of the Association's Constitution and By-Laws, and to aid in maintaining the orderly conduct of such meetings.

Section 7. Except as otherwise provided in these By-Laws, Robert's Rules of Order, as revised, shall govern the conduct of all Association meetings.

ARTICLE VII

Board of Directors

Section 1. The Board of Directors shall -

- a. have general supervision of the business, including the books, accounts, properties and monies of the Association;
- b. decide upon and pass upon all proof of disability, order assessments for indemnities and operating expenses when authorized thereto by an Annual or Special Meeting of the Association;
- c. approve all expenditures or disbursements of funds;
- d. audit all bills;
- e. perform such other duties as may be required to carry out the intentions and purposes of the Association.
- f. invest the surplus funds, subject to such restrictions as are or may be imposed by the Minnesota State Insurance Department or by other regulatory bodies having jurisdiction.
- g. require a depository bond from any bank – not government issued – in which said funds are deposited, in such amount as may be designated by the Board of Directors: preference, however, being given to government insured depositories. The bond shall be filed with the President;
- h. have the power to make such By-Laws and amendments thereto for the government of the Association and management of its affairs as the Board may deem proper and in accordance with Article XI;
- i. examine and consider all requests for amendments to the By-Laws which may be proposed by individual members that receive the support of twenty (20) fire departments having members in the Association. To be eligible for consideration at the following Annual Meeting, any such request or requests must be submitted before September 30th of the year to the Secretary of the Association who will distribute the request to the Board of Directors, members' departments and legal counsel for information and response to the By-Law Committee. After collecting additional information and opinions from various sources including the members and legal counsel and with the concurrence of the author of the proposed change, the proposed amendment or amendments may be withdrawn by the proponent or the Board shall submit them to the members for consideration at the next Annual or Special Meeting. The proposed amendments accompanied by pro/con statements as well as a recommendation by the Board shall be provided to each fire department having members in the Association no less than thirty (30) days prior to the meeting at which they will be considered. Those amendments without the Board's endorsement shall require a two-thirds (2/3) approval of the voting delegates present at the Annual or Special Meeting for adoption.

Section 2. The Board of Directors may require a full and complete report of any officer at any time.

Section 3. The Board of Directors shall meet at such time and place as they may determine and as often as the business of the Association may require, but they shall meet not less than three (3) times each year.

Section 4. The Directors may call a Special Meeting of the members at any time upon their own motion by giving thirty (30) days notice by mail or upon the application in writing of twenty (20) departments having members of the Association, which application shall set forth the reason for the call and business to be brought before the meeting. No proposition shall be entertained at any

Special Meeting of the Association except as the same relates to the matters mentioned in the call.

ARTICLE VIII

Funds

Section 1. The funds of the Association shall be derived from membership fees; dues, donations, assessments and investment revenue and the same shall be used only for the purpose of paying indemnity as provided by these By-Laws and legitimate expenses of the Association.

ARTICLE IX

Representations, Claims, Benefits

Section 1. Any applicant or member who shall knowingly make a false declaration or representation as to dues paying classification or age shall be denied membership or be removed from membership in the Association and such applicant or member shall forfeit all dues paid and right to receive further benefits from the Association. The same penalties and forfeitures shall apply to any person who shall refuse to pay annual dues or assessments which are levied by the Board of Directors as provided by these By-Laws or who shall be dishonorably discharged from the fire department in which membership is held.

Section 2. Each fire department which has members of the Association will furnish the Secretary of the Association with a correct list of the names and classifications of members of the department who are members or wish to become members of the Association, and to promptly notify the Secretary of the Association of all changes in the department's membership roll and classifications.

Section 3. First Report of Injury or Sickness. The Secretary of the Association shall be notified WITHIN THIRTY (30) DAYS of any injury, disability, sickness, dismemberment or loss of life of a member of the Association incurred during activities defined in Article IX, Section 5. The Secretary shall provide the required claim forms to the notifying party; and, in turn, notify the director of the district from which the claim is reported. Such director shall promptly investigate the claim and make a written report. The director investigating the claim, subject to board approval, may for good cause waive the time limits for actions as listed in this section.

Section 4. Application for relief must be sent to the director of the district in which the claimant resides WITHIN TEN (10) DAYS of the time of recovery from the injury, or disability is made, or in the case of extended disability, within 270 days of the date when the disability began. Claim forms may be obtained by request from the Secretary. The director who has received the claim shall promptly review it, and forward it together with his approval or disapproval, to the proper officers of the Association. The Secretary and/or the President shall determine if it is necessary to consult the Medical Officer, or if special board of director's approval must be obtained.

Section 5. Upon Approval of a claim for loss of life, dismemberment or loss of time from work which occurs to a member as a result of the performance of the covered duty specified in this section, the Association shall pay the amounts specified in the schedule contained in Section 6 of this article in effect at the date of the original incident.

Covered duty shall mean going to, serving at, and returning by a direct route from:

Fire calls; regularly ordered drills or training sessions; emergencies such as floods storms, riots, ambulance or rescue service, etc. under the order of a fire department officer or acting officer, regional or state fire schools, conferences, conventions, or training sessions where attendance has been approved by the Chief of the Department.

SPECIFICALLY EXCLUDED FROM COVERED DUTY ARE:

Participation in any fireworks or pyrotechnic display or activity; participation in any celebration, contest, or fund raising activity.

Section 6. The amounts to be paid for loss of life or total loss of time from the member's regular occupation are:

1. For loss of life \$20,000.00
2. For total loss of time from a member's regular occupation: \$100.00 per day.

Maximum benefits payable pursuant to Section 6.2 shall not exceed a total
Of \$18,000.00 for the same injury, disability or recurrence thereof. Effective

Date of coverage will be August 1, 2010.

3. In the case of the injuries listed below, the minimum amount listed below will be awarded. Should the disability amount exceed the minimum, the maximum benefits payable shall not exceed the guidelines established in Article IX Section 6, 2.):
4. a. Loss of both hands or both feet \$12,000.00
b. Loss of both eyes \$12,000.00
c. Loss of one hand or one foot \$ 6,000.00
d. Loss of one eye \$ 6,000.00

ARTICLE X

Compensation of Officers and Directors

Section 1. All officers of this Association, with the exception of the President, Secretary, and Treasurer shall serve without pay. Salaries of the President, Secretary and Treasurer shall be fixed by the Board of Directors. The Medical Officer and Parliamentarian shall be on a fee basis.

Section 2. Directors shall be reimbursed for expenses incurred while performing duties prescribed by the By-Laws and they shall be paid such per diem as shall be determined by the Board of Directors.

ARTICLE XI

Amending Procedure

Section 1. The By-Laws of the Association may be amended at any regular or special meeting thereof by a variable vote of a majority (except as provided in Article VI, Section 1.i.) of the authorized voting delegates or proxy votes present at such meeting, provided that a notice of any proposed amendment or amendments shall have been sent by the Secretary to each fire department which has members of the Association at least thirty (30) days prior to the date when such regular or special meeting shall be held.

ARTICLE XII

Order of Business

1. Call to Order
2. Roll Call
3. Reading of minutes of previous meeting
4. Reports of officers and committees
5. Unfinished business
6. New business
7. Nomination of directors
8. Good of the Association
9. Adjournment

Revised Effective August 1, 2010