

**AMENDED RESTATED ARTICLES OF INCORPORATION**  
**OF**  
**PARTNERS MUTUAL INSURANCE COMPANY**

Pursuant to the authority and provisions of Chapter 181 of the Wisconsin Statutes, the following Amended Restated Articles of Incorporation, adopted on February 20, 2014, incorporate amendments to the Restated Articles of Incorporation and supersede and take the place of the Restated Articles of Incorporation as they existed immediately prior to February 20, 2014.

**ARTICLE I**

**NAME AND LOCATION**

The name of this corporation is Partners Mutual Insurance Company. The Home Office and principal place of business is located in the Town of Brookfield, Waukesha County, Wisconsin, mailing address 20935 Swenson Drive, Waukesha, Wisconsin, 53186-2057.

**ARTICLE II**

**PURPOSE**

The corporation is a non-stock mutual insurance corporation organized for the purpose of insuring its members against any of the hazards and perils authorized or permitted for mutual insurance corporations under the laws of the State of Wisconsin as such laws now exist or may hereafter be amended and to engage in any other lawful activity within the purposes for which mutual insurance corporations may be organized under the laws of Wisconsin as such laws now exist or may be hereafter amended. The corporation shall have all of the powers conferred upon business corporations by the laws of the State of Wisconsin except where inconsistent with the provisions of said laws relating specifically to mutual insurance corporations.

**ARTICLE III**

**MEMBERSHIP**

**SECTION 1.** Each policyholder insured by the corporation shall be a member of the corporation during the period while such policy is in force. Each policyholder shall have one vote at all meetings of members, regardless of the number of policies or the amount of insurance carried. Each policyholder holding an assessable policy shall be liable for a pro rata share of losses and expenses incurred during the time the policyholder has been a member of the corporation except that such liability during any year in addition to the annual premium on the member's policy shall not exceed one times the annual premium. The corporation is authorized to issue nonassessable policies.

**SECTION 2.** Policyholders shall have the right to vote on conversion, voluntary dissolution of the corporation, amendment of these articles of incorporation and the election of directors. The by-laws shall contain rules governing voting eligibility and voting procedures.

**SECTION 3.** Regular and special meetings of policyholders shall be held as set forth in the by-laws. Notice of the time and place of regular meetings shall be printed conspicuously on each policy. Notice of the time, place and purpose of special meetings shall be published as a class 2 notice under Ch. 985, Wis. Stats., together with such further notice as the Commissioner of Insurance requires.

## **ARTICLE IV**

### **MANNER OF EXERCISING CORPORATE POWERS**

**SECTION 1.** The business and affairs of the corporation shall be managed by its Board of Directors.

**SECTION 2.** The number of directors may be fixed by or pursuant to the by-laws but shall not be less than nine. All directors shall be members of the corporation. Employees and representatives of the corporation may not constitute a majority of the Board of Directors. The by-laws may provide further qualifications for directors.

**SECTION 3.** The directors shall be divided into three classes with no fewer than three directors in each class. One class of directors shall be elected at each annual meeting of the members of the corporation held in odd-numbered years for a term of six years.

**SECTION 4.** The Board of Directors shall have power, as provided in the by-laws, to establish Committees to which authority may be delegated, including powers vested in the Board of Directors within limits prescribed by Wisconsin statutes.

**SECTION 5.** At least thirty days prior to the annual meeting of members the Board of Directors shall nominate candidates for the office of director to succeed the directors whose terms of office will expire on the day of such annual meeting and shall file the names of such candidates with the Secretary of the corporation. Any 100 members may also nominate candidates to succeed the directors whose terms will expire by filing with the Secretary of the corporation at least ninety days before such annual meeting a certificate signed by each of such members setting forth the full names and addresses of such members and the names of the candidates nominated and by filing with such certificate written acceptance of such nomination by each nominee named in the certificate. No candidate not nominated by the Board of Directors or by the members as herein provided shall be voted upon except by the consent of three-fourths of the members present or represented by proxy at the meeting. The names of all nominees shall be made known by the Secretary to any member upon his written request.

### **SECTION 6.**

(a) A Partners Mutual Director Designee reelected as a director after February 16, 2012, and any individual elected as a successor or additional Partners Mutual Director Designee, whether by the members or by the board of directors, must have been nominated prior

to the individual's election by either (1) a majority of those directors in office at the time who are Partners Mutual Director Designees, or (2) the members. A Penn National Director Designee reelected as a director after February 16, 2012, and any individual elected as a successor or additional Penn National Director Designee, whether by the members or by the board of directors, must have been nominated prior to the individual's election by a majority of those directors in office at the time who are Penn National Director Designees. A director nominated by the members, whether pursuant to Section 5 of this Article IV or otherwise, may only be elected as a Partners Mutual Director Designee. If the number of Directors constituting the full Board of Directors is increased at any time after February 16, 2012, the additional positions shall be designated as seats to be held by persons who are designated as either Partners Mutual Director Designees or Penn National Director Designees, with the total number of Partners Mutual Director Designees equal to one less, or in the case of an even total number of directors, two less, than a majority of the full Board of Directors after the increase.

(b) As used in these Amended Restated Articles of Incorporation (i) "Partners Mutual Director Designee" means Mark F. Roethle in the 2015 class of directors, Richard C. Ewert in the 2017 class of directors, and Mark H. Ewert and Michael N. Herro in the 2019 class of directors, and anyone elected either as a direct or indirect successor to one of those individuals or as an additional Partners Mutual Director Designee; and (ii) "Penn National Director Designee" means Robert B. Brandon and John H. Rhodes in the 2015 class of directors, Kenneth R. Shutts and Dennis C. Rowe in the 2017 class of directors, and Christine Sears in the 2019 class of directors, and anyone elected either as a direct or indirect successor to one of those individuals or as an additional Penn National Director Designee.

**SECTION 7.** Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of directors, may be filled for the completion of the term by the affirmative vote of a majority of the directors then in office, though less than a quorum of the Board of Directors.

**SECTION 8.** A majority of the directors in office at any time shall constitute a quorum for the transaction of any business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time-to-time without further notice. Notwithstanding the foregoing, in no event shall a quorum exist at any meeting of the Board of Directors unless a majority of the Directors present are Penn National Director Designees.

**SECTION 9.** The by-laws shall be adopted by the Board of Directors.

**SECTION 10.** A director may be removed from office for cause by an affirmative vote of a majority of the full board at a meeting of the Board called for that purpose.

## **ARTICLE V**

### **OFFICERS**

The general Officers of the Corporation shall be a Chairman of the Board, a President, an Executive Vice President, one or more Vice Presidents, a Secretary and a Treasurer, each of

whom shall be elected by the Board of Directors. The by-laws shall designate which three or more of the general officers shall be the principal officers of the Corporation. All such officers shall be policyholders of the corporation at the time of election and during their incumbency in office. Such assistant officers, who need not be policyholders, as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary and the offices of President and Vice President.

## **ARTICLE VI**

### **FISCAL YEAR**

The fiscal year of the corporation shall begin January first and terminate December thirty-first in each year.

## **ARTICLE VII**

### **AMENDMENTS**

These Articles may be amended by a vote of three-fourths of the members voting at a meeting after the proposed amendment has been filed with the Secretary of the corporation and the Commissioner of Insurance in and for the State of Wisconsin and a copy thereof with notice of time and place of meeting has been mailed to each member at least thirty days prior to such meeting or they may be amended in such other manner as may be provided by the Wisconsin statutes in effect at the time the corporation wishes to amend these Articles.