

THIRD RESTATED BYLAWS
(as of March 5, 2010)
OF
MINNESOTA SELF-INSURERS' ASSOCIATION, INC.

ARTICLE I
Location

The principal office of this Corporation shall be the business address of the Administrator of the Corporation during his or her tenure as such. The Corporation may have such other offices as may, from time to time, be designated by its members or its Board of Directors.

ARTICLE II
Members

2.1 **Membership**: The Corporation shall have the following classes of members:

2.1.a. **Voting Members**. Any employer licensed and self-insuring its workers' compensation liability under Minnesota law, any group of employers licensed and self-insuring their workers compensation liability under Minnesota law and any employer that retains, under an insurance policy, liability for at least \$250,000 per occurrence of Minnesota workers compensation losses and loss adjustment expenses is eligible to become a voting member of the corporation, upon application and acceptance as provided in Section 2.2 below.

2.1.b. **Associate Members**. Any individual or organization with interests and concerns compatible with those of the Corporation and who does not meet the criteria for voting membership set forth above, is eligible to become an associate member of the corporation, upon application and acceptance as provided in Section 2.2 below.

2.1.c. **Honorary Members**. The Board of Directors may designate any individual or organization who has promoted or served the interests of the Corporation as an honorary member. An honorary member shall not be entitled to vote, but may attend all meetings and receive member correspondence and shall not be required to pay dues.

2.2 **Application**: Applications for membership shall be submitted to the Membership Committee Chair or the Administrator on a completed application form. If the applicant appears qualified under membership guidelines adopted by the Corporation, the Administrator, through the Membership Chair, shall forward the application to the Board of Directors for review and approval. The Administrator shall notify the applicant in writing of membership acceptance and provide the applicant with an invoice for annual membership dues, which shall be due and payable within 45 days of the date of the invoice. The applicant shall become a member upon payment of dues as provided in Section 3.2 of these Bylaws. Membership may be accepted at any time during the calendar year.

2.3 Term of Membership: A member that has paid its dues for any calendar year shall be a member for that calendar year only. Only upon payment of dues for the next calendar year will the member continue as a member of the Corporation.

2.4 Resignation: A member not in default in payment of dues and/or special assessments may at any time file a resignation, in writing, to the President. This shall become effective as of the date it was filed.

2.5 Size of Membership: There is no restriction on the minimum or maximum number of members. Membership rights may not be transferred, assigned, or devised. No member, by virtue of membership, shall have any right, title, or interest in or to any property of the Corporation. The property of the Administrator, as purchased by the Corporation, shall be the sole ownership by the Corporation only.

ARTICLE III

Dues

3.1 Establishment of Dues: Membership dues shall be as established by a majority of the vote of members entitled to vote at a duly called regular or special meeting of the members.

3.2 Payment of Dues: To become a member, an organization shall pay dues for the full calendar year in which it applies for membership, regardless of the date of application. If the application is received after April 1st of the calendar year, the dues will be pro-rated for the remaining nine, six or three months of the year. Payment of dues shall be due from all members by November 15 of each year for the next calendar year and are payable to the Corporation as directed by the Board of Directors.

3.3 Special Assessments: Special assessments may be levied against any voting or Associate member or members by a majority vote of the members entitled to vote at a duly called regular or special meeting of the members, provided that written notice of such a meeting indicating that a vote for special assessments will be taken has been mailed to the last known post office address of each member no less than (30) days prior to said meeting.

3.4 Default in Payment of Dues and/or Special Assessments: The Board of Directors shall mail, to each member with unpaid dues and/or unpaid special assessments, notice of the arrears and that if said dues and/or special assessments are not paid within (30) days thereafter, all privileges of membership will be suspended until all arrears are paid in full. If the dues and/or special assessments remain unpaid after the mailing of said notice, the Board of Directors may, after (30) days, and shall, after (90) days, by resolution, expel the delinquent member from the Corporation and promptly advise the member of said expulsion; provided that the Board of Directors may, upon good cause shown, waive this provision. A member who has been suspended may be reinstated upon the payment of all dues and special assessments in default and payable at the time of reinstatement. A member filing a resignation in writing prior to the date on which dues and/or special assessments become due and payable shall not be considered in default.

ARTICLE IV
Meetings of the Members

4.1 Regular Meetings: Regular meetings of the members of the Corporation shall be held quarterly each year. The meetings of the members shall be convened by the Board of Directors and held at such date, hour and place as established by the Board of Directors, except that one of said meetings shall be the annual meeting of the members to be held during the month of December.

4.2 Special Meetings: Special meetings may be convened on the order of the President, who shall cause written notice to be mailed or delivered through electronic communication to each active member of the Corporation, said notice to state the purpose of the meeting and the date, time and place thereof. Said meetings shall be held at such date, hour and place as established by the President. No other business shall be conducted at said special meeting except as described in the written notice.

4.3 Notice of Meetings: Written notice of each meeting of the members of the Corporation stating the time and place and, in the case of a special meeting, the purpose or purposes thereof, shall be mailed or delivered through electronic communication at least thirty (30) days prior to the meeting to each member entitled to vote at the meeting at the last address according to the available records of the corporation.

4.4 Waiver of Notice: Notice of any meeting of the members of the Corporation may be waived in writing by any member. Such waiver may be given before, at, or after the meeting and shall be filed with the President's designee, who shall enter it upon the records of the meeting. Appearance at a meeting shall be deemed a waiver if any objection thereto unless it is solely for the purpose of asserting the illegality of the meeting.

4.5 Quorum: At each meeting of the members of the Corporation, the presence in person of at least ten percent (10%) of the voting members shall be necessary to constitute a quorum for the transaction of business. In the absence of such a quorum, any meeting may be adjourned from time to time by a majority of the voting members present. Each voting member has one vote. Associate members have no voting power. There shall be no voting by proxy.

4.6 Designation of Representation: Each voting member shall designate in writing one natural person to vote for such member. No person may vote on behalf of more than one voting member. The President's designee shall be notified of such designation prior to the vote; provided that such designated person may appoint, in writing, a substitute on a meeting-by-meeting basis.

4.7 Voting: At each meeting of the members of the Corporation, each voting member of the Corporation shall be entitled to one vote, and no voting member of the Corporation shall have any cumulative voting rights. Upon the demand of any member present at a meeting and entitled to vote, the vote on any question before the meeting shall be by ballot. Except as otherwise provided in the Minnesota Statutes, the Articles of Incorporation, or these Bylaws, all questions shall be decided by a majority vote of the voting members present in person at the meeting and entitled to vote.

4.8 Adjournment: If any meeting of the members is adjourned to another time or place, no notice as to such adjourned meeting need be given other than by announcement at the meeting at which such adjournment is taken. At an adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting as originally noticed.

4.9 Action Without a Meeting: Any action required or permitted to be taken at a meeting of the board of directors, other than an action requiring member approval, may be taken by written action signed by the number of directors that would be required to take the same action at a meeting of the board at which all directors were present.

ARTICLE V

Board of Directors

5.1 General: The property, funds, affairs, assets, and business of the Corporation shall be managed by the Board of Directors. The Board of Directors may, from time to time, delegate such authority and responsibilities as it may determine to one or more committees or officers, or its Administrator.

5.2 Board of Directors:

5.2.a. Composition of Board: The Board of Directors shall be comprised of a minimum of ten (10) directors and a maximum of fifteen (15) directors. Except as set forth in section 5.2.b., all officers, directors and committee chairs shall be employed by a voting member. In the event an officer, director or committee chair retires, resigns or otherwise leaves the employment of a self-insured or Associate organization, such officer, director or committee chair shall no longer serve as a director, but may (at such individual's election) serve as a director emeritus (without voting rights) for the remainder of his or her then current term, provided that the organization that was the employer of such individual remains a member of the Corporation. The President, Past President, Vice President, Secretary, Treasurer, Program Chair, Membership Chair, Legislative Committee Chair and Nominating Committee Chair shall be members of the Board of Directors during their terms of office, or in the case of the Past President, for the two (2) years immediately following the completion of his or her term as President. In the event any committee is headed by co-chairs, only one such co-chair shall be a member of the Board of Directors.

5.2.b. Associate Members: One (1) or two (2) directors may be employed by Associate members. The directors employed by Associate members shall be elected pursuant to section 5.3 and shall be eligible to serve as a committee chair, but shall not be eligible to serve as an officer.

5.3 Election of Directors: Election of directors shall be held at the annual meeting of the members. If there is more than one candidate for a position, the Board shall conduct an election for each contested position by written ballot. Uncontested positions may be elected by a voice vote. All directors elected shall take office at the conclusion of the annual meeting.

5.4 Term of Office: The term of office for a director other than officers, whose terms as directors shall coincide with the terms of officers, is two (2) years.

5.5 Removal from Office: A director may be removed, with or without cause, by a vote of three-fourth (3/4) of all remaining directors. A director shall be removed if the member he/she represents no longer qualifies for membership under Article XII hereof.

5.6 Unexpired Terms: Should a vacancy on the Board of Directors arise owing to the death, resignation, incapacity, dissolution, or removal of a director, the Board of Directors may elect, by a majority vote, a new director to serve the remainder of the term that was vacated.

5.7 Quorum and Actions: At each meeting of the Board of Directors, the presence in person of at least a majority of the directors shall be necessary to constitute a quorum for the transaction of business. In the absence of such a quorum, any meeting may be adjourned from time to time by a majority of the directors present. Each director has one vote and there shall be no voting by proxy.

5.8 Meetings: The Board of Directors shall meet at least four times per year and at such other times as it may determine, or at the request of the Executive Committee or at the request of the majority of the Board of Directors.

5.9 Notices: Each director shall be given written notice, addressed to the last known post office address of each director, of the time, place, and purpose of all meetings of the Board of Directors at least five (5) days prior to all meetings. Such notice may be waived by a majority of the directors before, at, or after a meeting. Appearance at a meeting is deemed a waiver of any objections thereto unless it is solely for the purpose of asserting the illegality of the meeting.

ARTICLE VI

Executive Committee

6.1 Members: The Executive Committee shall be composed of the President, Vice President, Secretary, Treasurer, and Chair of the Legislative Committee. The names of the members of the Executive Committee shall be reported to all directors of the Corporation within ten (10) days following election.

6.2 Responsibilities: Subject to the control, approval and directions of the Board of Directors of the Corporation, in accordance with state law, and except as limited herein, the Executive Committee may exercise some of the powers of the Board during intervals between meetings of the Board of Directors, and subject to final approval by the Board of Directors; except that the Executive Committee may not take action with respect to disposition of property in the event of dissolution of the Corporation, with respect to amendment of the Articles of Incorporation or Bylaws, with respect to disposition of material assets of the Corporation, or with respect to obligating the Corporation in amounts in excess of Five Thousand Dollars (\$5,000.00).

6.3 Meetings: The Executive Committee shall hold meetings at the discretion of the Executive Committee or at the direction of the Board of Directors and shall report to the Board concerning all of its activities. At each meeting of the Executive Committee of the Corporation, the presence in person of at least a majority of the members of the Executive Committee shall be necessary to constitute a quorum for the transaction of business. In the absence of such a quorum, any meeting may be adjourned from time to time by a majority of the Executive

Committee members present. Each member of the Executive Committee has one vote. There shall be no voting by proxy.

6.4 Terms: The Terms of the Executive Committee shall be for a period of two (2) years. In the event that a vacancy exists in any of the Executive Committee positions, the President shall appoint a replacement to serve the unexpired term of the vacated position. If a vacancy exists in the Presidency, the Vice President shall assume the duties of the President for the remainder of the unexpired term.

6.5 Removal from Office: A member of the Executive committee may be removed, with or without cause, by a vote of three-fourths ($\frac{3}{4}$) of the Board of Directors. A member of the Executive Committee shall be removed if the member he/she represents no longer qualifies for membership under Article XII hereof.

ARTICLE VII **Standing Committees**

7.1 Members: The Board of Directors shall appoint members to each of the following standing committees. The chairperson of each standing committee shall be a member of the Board of Directors, (in the event a committee shall be headed by co-chairs, only one shall be a member of the Board of Directors).

7.1.a. Legislative Committee

7.1.b. Program Committee

7.1.c. Membership Committee

7.1.d. Budget Committee

7.1.e. Nominating Committee

7.2 Term: The term of the members of the standing committees shall be two years.

7.3 Vacancies: If a member position becomes vacant, the Board of Directors, at its next meeting, shall appoint a successor to hold such office for the unexpired term.

7.4 Duties: Duties of each standing committee shall be proscribed by the Board of Directors.

ARTICLE VIII **Other Committees**

The Board of Directors may act by and through such other committees as may be specified in resolutions adopted by the Board of Directors. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board. Each such committee shall at all times be subject to the control and direction of the Board and shall present to the Board of Directors such reports as may be requested.

ARTICLE IX
Officers

9.1 Composition: The officers of this corporation shall be a President, Vice President, Secretary, Treasurer, Chairperson of the Legislative Committee and such other officers as the members of the corporation may elect at any annual meeting. An officer shall be a director, and the same person may hold more than one office. An associate member or its designated representative may not be an officer. The officers shall be elected every two (2) years by the voting members at their annual meeting and shall hold office for the next two calendar years following the election.

9.2 President: The President shall preside at all meetings of the Board of Directors and of the members of the Corporation and shall be a member, ex officio, of all standing committees, except that the President shall be a full member of and preside at the Executive Committee, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

9.3 Vice President: The Vice President shall have such powers and perform such duties as the President or the Board of Directors may from time to time prescribe. In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice President shall perform the duties of the President and when so acting, shall have all the powers of and be subject to all of the restrictions upon the President. The Vice President shall succeed the President following his or her term or terms.

9.4 Secretary: The Secretary or the Administrator shall keep a record of all votes and minutes of the proceedings of all meetings of the Board of Directors, members, Executive Committee, standing committees and other committees, and shall give such notices as may be required to be given by law or by other officers of the corporation. The Secretary or the Administrator shall have the custody of all books and records of the corporation, except those for which the Treasurer shall be responsible.

9.5 Treasurer: The Treasurer shall be responsible for the accounting and tax records of the Corporation and shall have the charge of receiving/depositing and disbursing of all monies and valuables in the name of and to the credit of the Corporation in such banks or depositories as the Board of Directors shall designate.

9.6 Removal from Office: Any officer may be removed from office at any time with or without cause by the Board of Directors.

9.7 Vacancies: If an office becomes vacant, a special election of the members shall be held at the next regular meeting or within thirty (30) days notice to the members to elect a successor to hold such office for the unexpired term.

9.8 Required Signatures: All checks, drafts, or other negotiable instruments, deeds, mortgages, bill of sale, conveyances, stock powers, contracts, and written agreements shall be signed in the name of the corporation by such persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

ARTICLE X
Administrator

10.1 Purpose: The Board of Directors of the Corporation may elect to contract with the Administrator for the purposes of performing specific duties as the Board of Directors deems necessary. These duties may include and are not limited to performing Secretarial duties, Treasurer duties, Committee Chairperson duties, or any such responsibilities or duties that the Board of Directors may so delegate or assign.

10.2 Payment: The Board of Directors may enter into a contract with said Administrator, specifying a given monthly salary rate with a salary cap not to exceed a specific dollar amount in a given fiscal year as stated in said contract.

10.3 Contract: A contract may be entered into between the Board of Directors of the Corporation and its designated Administrator. Such contract will be signed by the President and the Administrator and will be subject for renewal on an annual basis.

ARTICLE XI
Fiscal Year

The fiscal year of the Corporation shall be that period established by the Board of Directors from time to time.

ARTICLE XII
Robert's Rules

All meetings of the Corporation, the Board of Directors and of all committees shall be governed by Robert's Rules of Order, or such other rules as may be adopted by the voting members.

ARTICLE XIII
Amendments

These Bylaws may be amended as prescribed by Minnesota Statutes.