

F97000003554

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP WAIT MAIL

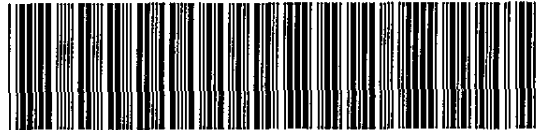
(Business Entity Name)

(Document Number)

Certified Copies Certificates of Status

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FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
2005 DEC 22 AM 11:57

Amend E N/C

*JB
1/4*

ICW GROUP

- INSURANCE COMPANY OF THE WEST
- THE EXPLORER INSURANCE COMPANY
- INDEPENDENCE CASUALTY AND SURETY COMPANY



December 21, 2005

Amendments Section
Florida Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

Re: Change of Name and Jurisdiction of Explorer Insurance Company

Dear Ladies and Gentlemen:

I am enclosing forms and documents in support of Explorer Insurance Company's application for approval of its name change and change of jurisdiction.

Effective, September 27, 2005 The Explorer Insurance Company dropped "The" from its name and became "Explorer Insurance Company." Explorer also changed its state of domicile from Arizona to California. In this regard, I am enclosing:

1. Cover Letter.
2. Application by Foreign Profit Corporation.
3. Check for \$52.50.
4. Certificate of Status from the California Secretary of State.
5. Certified articles of incorporation.
6. Copy of qualification letter dated July 9, 1997 from Florida Secretary of State, for your convenience.

Please send me a certificate of status certifying these changes, as I need to make another filing with the Florida Department of Financial Services. If you require any other documents or have any questions, please call me at (858) 350-2515 or e-mail me at jaustin@icwgroup.com.

Sincerely,

James W. Austin
Senior Vice President and General Counsel

JWA:sr
Encl.

COVER LETTER

TO: Amendment Section
Division of Corporations

SUBJECT: The Explorer Insurance company
(Name of Corporation)

DOCUMENT NUMBER: F97000003554

The enclosed Amendment and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

James W. Austin
(Name of Contact Person)

Explorer Insurance Company
(Firm/Company)

P.O. Box 85563
(Address)

San Diego, CA 92186-5563
(City/State and Zip Code)

For further information concerning this matter, please call:

James W. Austin at (858) 350-2515
(Name of Contact Person) (Area Code & Daytime Telephone Number)

Enclosed is a check for the following amount:

- \$35.00 Filing Fee \$43.75 Filing Fee & Certificate of Status \$43.75 Filing Fee & Certified Copy (Additional copy is enclosed) \$52.50 Filing Fee, Certificate of Status & Certified Copy (Additional copy is enclosed)

Mailing Address:
Amendment Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Street Address:
Amendment Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

PROFIT CORPORATION
APPLICATION BY FOREIGN PROFIT CORPORATION TO FILE AMENDMENT TO
APPLICATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA
(Pursuant to s. 607.1504, F.S.)

SECTION I
(1-3 MUST BE COMPLETED)

F97000003554

(Document number of corporation (if known))

SECRET
DIVISION OF
2005 DEC 22 AM 11:51

1. The Explorer Insurance Company
(Name of corporation as it appears on the records of the Department of State)
2. Arizona 3. July 8, 1997
(Incorporated under laws of) (Date authorized to do business in Florida)

SECTION II
(4-7 COMPLETE ONLY THE APPLICABLE CHANGES)

4. If the amendment changes the name of the corporation, when was the change effected under the laws of its jurisdiction of incorporation? September 27, 2005
5. Explorer Insurance Company
(Name of corporation after the amendment, adding suffix "corporation," "company," or "incorporated," or appropriate abbreviation, if not contained in new name of the corporation)
- N/A
(If new name is unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)
6. If the amendment changes the period of duration, indicate new period of duration.
- N/A
(New duration)
7. If the amendment changes the jurisdiction of incorporation, indicate new jurisdiction.
- California
(New jurisdiction)

James W. Austin
(Signature of a director, president or other officer - if in the hands of a receiver or other court appointed fiduciary, by that fiduciary)

James W. Austin
(Typed or printed name of person signing)

Assistant Secretary
(Title of person signing)

State of California
Secretary of State

**CERTIFICATE OF STATUS
DOMESTIC CORPORATION**

I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify that on the **24th day of May, 1984, EXPLORER INSURANCE COMPANY** became recognized under the laws of the State of California by filing its Certificate of Articles of Redomestication and Amended and Restated Articles of Incorporation in this office; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of October 6, 2005.



A handwritten signature in black ink, appearing to read "Bruce McPherson".

BRUCE McPHERSON
Secretary of State

A0634474

State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 28 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

OCT 06 2005

A handwritten signature in black ink, appearing to read "Bruce McPherson".

BRUCE McPHERSON
Secretary of State

A0634474

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

SEP 27 2005

**CERTIFICATE OF
ARTICLES OF REDOMESTICATION AND
AMENDED AND RESTATED ARTICLES OF INCORPORATION**

KEVIN M. PRIOR and MARY E. CANNON certify that:

1. They are the president and the secretary, respectively, of THE EXPLORER INSURANCE COMPANY, a company incorporated in 1981 as an Arizona corporation and acting to redomesticate to become a California corporation (the "Corporation").

2. The Articles of Incorporation of this Corporation are amended and restated to read as follows:

Article One. The name of this Corporation is Explorer Insurance Company.

Article Two. The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code. Furthermore, pursuant to Section 202(b)(3) of the California Corporations Code, the business of the Corporation is to be an insurer subject to the provisions of the California Insurance Code. The Corporation is precluded from transacting the following classes of insurance business: life, title, mortgage, mortgage guaranty and financial guaranty insurance.

Article Three: The Corporation shall have perpetual existence.

Article Four. This Corporation is authorized to issue only one class of shares of stock; the total number of said shares shall be thirty thousand (30,000); the aggregate par value of all said shares shall be Three Million Dollars (\$3,000,000); and the par value of each of said shares shall be One Hundred Dollars (\$100). Upon the amendment of this article to read as herein set forth, each outstanding old share of a par value of Ten Dollars (\$10) is reconstituted as one-tenth (1/10) of a new share of a par value of One Hundred Dollars (\$100).

Article Five. The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

Article Six. The Corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with the agents, vote of shareholders or disinterested directors, or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the limits set forth in Section 204 of the California Corporations Code with respect to

actions for breach of duty to the Corporation or its shareholders. The Corporation is further authorized to provide insurance for agents as set forth in Section 317 of the California Corporations Code, provided that, in cases where the Corporation owns all or a portion of the shares of the company issuing the insurance policy, the company and/or the policy must meet one of the two sets of conditions set forth in Section 317, as amended.

Article Seven. Any repeal or modification of the provisions of Article Four or Five by the shareholders shall not adversely affect any right or protection of an agent of this Corporation existing at the time of such repeal or modification.

Article Eight. Until changed by action of the board of directors, the name and address in the State of California of this Corporation's agent for service of process is: James W. Austin, III, 11455 El Camino Real, San Diego, CA 92130-2045.

3. The foregoing Articles of Redomestication and Amended and Restatement of Articles of Incorporation have been duly approved by the board of directors.

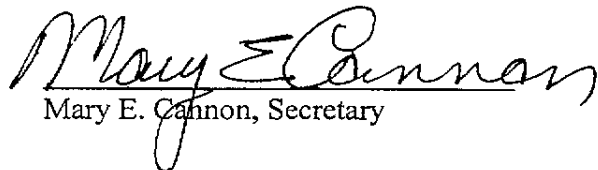
4. The foregoing Articles of Redomestication and Amendment and Restatement of Articles of Incorporation have been duly approved by the unanimous written consent of the directors and by the required vote of shareholders acting by written consent in accordance with all applicable laws. The total number of outstanding shares of the Corporation is 260,000. By the written consent of the sole shareholder, the number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Dated: September 23, 2005



Kevin M. Prior, President



Mary E. Cannon, Secretary

McNitt & Loeb

A Division of
BLANCHARD, KRASNER & FRENCH
A PROFESSIONAL CORPORATION

800 SILVERADO STREET, SECOND FLOOR
LA JOLLA, CALIFORNIA 92037

TELEPHONE: (858) 551-2464
FACSIMILE: (858) 551-2434

ROGER L. McNITT
rmcnitu@bkflaw.com

ANDREW G. LOEB
alocb@bkflaw.com

April 26, 2005

California Secretary of State
1500 11th Street
Sacramento, CA 95814

Attention: Robbie Anderson

Re: Proposed Redomestication of The Explorer Insurance Company
From Arizona to California
Our File No. ICW-10113

Dear Secretary McPherson:

I am enclosing a letter from the President and Corporate Secretary of The Explorer Insurance Company, ("Explorer") an Arizona insurer admitted in California as a foreign insurer, constituting a letter or intent to redomesticate Explorer from Arizona to California, and to change the name of the company from "The Explorer Insurance Company" to "Explorer Insurance Company."

I am also enclosing the proposed form of Articles of Redomestication and Amended and Restated Articles which Explorer proposes to file with your office, following requisite approval by the California and Arizona Departments of Insurance, in order to effectuate the redomestication, and name change.

Our checklist of required actions is also enclosed.

The contemplated redomestication procedure is based on California Insurance Code section 709.5, California Corporations Code sections 180.5 and 201.6, and Arizona Insurance Code section 20-231.

Please note that The Explorer Insurance Company is a wholly-owned subsidiary of Insurance Company of the West, a California domestic insurance corporation.

We request your assistance in reviewing the proposed form of Articles of Redomestication and Amended and Restated Articles of Incorporation as well as the check list,

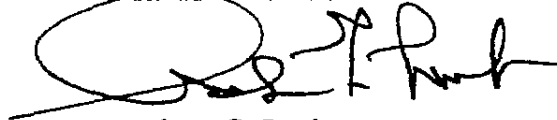
John Garamendi
April 26, 2005
Page 2

so that you may advise us of any suggestions you may have as to form or content of the documents and procedures we expect to follow.

Thank you for your assistance.

Sincerely,

McNITT & LOEB

A handwritten signature in black ink, appearing to read "Andrew G. Loeb", written over a horizontal line.

Andrew G. Loeb

AGL/ppa
Enclosures


cc: H. Michael Freet
James W. Austin III

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
San Francisco

I, JOHN GARAMENDI, Insurance Commissioner of the State of California, do hereby certify that on the date specified herein, the name **Explorer Insurance Company**, has been approved and the name reserved in California as a name change for **The Explorer Insurance Company**, upon its approved redomestication from Arizona to California, for a period of 90 days from the date herein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year specified below.

JOHN GARAMENDI
Insurance Commissioner

By 
Pamela D. Stefani
Senior Legal Analyst
On Behalf Of
Richard Baum
Chief Deputy Commissioner
August 24, 2005

A foreign or alien corporation must attach this Certificate to its statement and designation to obtain a Certificate of Qualification from the California Secretary of State.

A California corporation must attach this Certificate to its Articles of Incorporation (Amendment) filed with the California Secretary of State

Note: This certificate does not authorize the subject entity to transact business in California unless and until a Certificate of Authority or license has been issued.

DEPARTMENT OF INSURANCE

Legal Division, Corporate Affairs Bureau
45 Fremont Street, 24th Floor
San Francisco, CA 94105



Rafael H. Gutierrez
Senior Staff Counsel
TEL: 415-538-4402
FAX: 415-904-5729
E-Mail: gutierrezr@insurance.ca.gov
www.insurance.ca.gov

September 9, 2005

Andrew G. Loeb, Esq.
McNitt & Loeb
800 Silverado St., 2nd Fl.
La Jolla, CA 92037

SUBJECT: The Explorer Insurance Company (an Arizona Domiciled Company) –
Applications for Amended Certificate of Authority – to Redomesticate to
California and for Name Change - File Nos. 05-3313 & 05-3969

Dear Mr. Loeb:

Please be advised that the California Department of Insurance has reviewed the above subject applications, filed with the Department on April 29, 2005 and May 18, 2005 respectively. And based on the information provided in support of the above subject applications, the California Department of Insurance hereby Consents to the Redomestication of The Explorer Insurance Company (hereinafter Company) from Arizona to California: And, simultaneously to the name change from The Explorer Insurance Company to Explorer Insurance Company, pursuant to California Insurance Code Sections 705, 709.5 and 881.

The Department will not cancel the Company's certificate of authority, until we receive a copy of the redomestication documents filed with the California Secretary of State. Once we receive the documents filed with the Secretary of State, the California Department of Insurance will cancel and reissue an Amended Certificate of Authority, effective the date of Redomestication. This is done in order to avoid a lapse in licensing of the Company.

Very truly yours,

A handwritten signature in black ink, appearing to read "Rafael H. Gutierrez", written over a horizontal line.

Rafael H. Gutierrez
Senior Staff Counsel

Cc: Bob Loo
Olivia Escriba
Patricia Staggs



Department of Insurance
State of Arizona
Financial Affairs Division - Analysis
Telephone: (602) 912-8420
Facsimile: (602) 912-8421

JANET NAPOLITANO
Governor

2910 North 44th Street, Suite 210
Phoenix, Arizona 85018-7269
www.id.state.az.us

CHRISTINA URIAS
Director of Insurance

May 16, 2005

Andrew G. Loeb
McNitt & Loeb
800 Silverado Street, Second Floor
La Jolla, CA 92037

RE: The Explorer Insurance Company (AZ) (NAIC # 40029): Redomestication from Arizona to California

Dear Mr. Loeb:

In response to your letter dated April 29, 2005, be advised that this Department has no objection to The Explorer Insurance Company (Explorer) redomesticating to the State of California.

In order for this Department to recognize Explorer as a California domiciled insurer, upon completion of the redomestication to the State of California, Explorer must provide this Department with the following:

1. The Insurer's current Arizona Certificate of Authority.
2. A completed Application for Certificate of Authority Form E104 indicating all lines of business to be transacted.
3. A completed Power of Attorney and Certified Copy of Resolution Form E128.
4. A copy of the new domiciliary state's approval order or letter.
5. An originally certified (by the new domiciliary state) copy of the Articles of Domestication and/or Amended and Restated Articles of Incorporation, whichever is applicable, and a \$100.00 check made payable to the *Arizona Corporation Commission* (ACC). This Department will file the articles with the ACC for the Company.
6. An originally certified (by the Corporate Secretary) copy of the Amended Bylaws.
7. An original Certificate of Compliance issued by the new domiciliary state. If the Certificate cites statute numbers only, please attach copies of statutory definitions.
8. An original Certificate of Deposit issued by the new domiciliary state.
9. A check made payable to the *Arizona Department of Insurance* in the amount of \$225.00 for application fees. In the event that any additional fees become due, you will be notified in writing of the nature and amount of fees due.

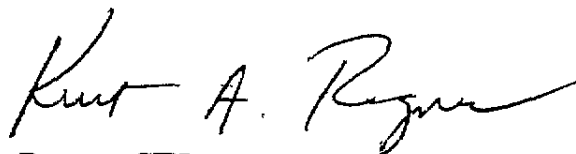
CC: *Kathy Mae Schmidt, Examinations Manager*
David Lathrap, Assistant Financial Analyst
Application File
Charter File

May 16, 2005

Upon completion of the redomestication process, the insurer may contact this Department's Trust Deposit Unit at (602) 912-8427 for assistance in obtaining the release of excess trust deposits.

If you have any questions, please do not hesitate to contact Mr. Cary Cook, Insurer Licensing Manager, at (602) 912-8420 extension 4260.

Sincerely,

A handwritten signature in cursive script that reads "Kurt A. Regner". The signature is written in black ink and is positioned above the typed name and title.


Kurt A. Regner, CFE
Chief Financial Analyst

CERTIFICATE OF SECRETARY

I, Mary E. Cannon, certify as follows:

1. I am the secretary of The Explorer Insurance Company and am authorized to make this certification.
2. The attached resolution is a true and correct copy of a resolution adopted by written consent of the directors of The Explorer Insurance Company. The resolution remains in full force and effect.

DATED: September 23, 2005


Mary E. Cannon
Secretary

(Seal)

**ACTION TAKEN BY WRITTEN CONSENT OF
ALL DIRECTORS OF
THE EXPLORER INSURANCE COMPANY**

The directors of The Explorer Insurance Company, acting by unanimous written consent in lieu of a meeting, pursuant to Article III, Section 10 of the bylaws of the Company do hereby take the actions and approve the resolutions as set forth below:

WHEREAS, the directors of The Explorer Insurance Company consider it to be in the best interest of the Company, its policyholders and shareholder to redomesticate from Arizona to California and to change its name to Explorer Insurance Company; and

WHEREAS, it is anticipated that The Explorer Insurance Company will retain its certificate of authority to transact insurance business in each of the states in which it is presently licensed; and

WHEREAS, it is anticipated that the plan of operation of The Explorer Insurance Company will not be materially affected by the proposed redomestication from Arizona to California; and

WHEREAS, it is anticipated that the proposed redomestication of The Explorer Insurance Company from Arizona to California will simplify holding company act compliance, reduce certain taxes and fees and otherwise promote administrative savings for the Company;

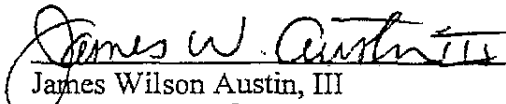
NOW THEREFORE BE IT,

RESOLVED, that the directors of the Company hereby recommend to the sole shareholder of the Company that the Articles of Redomestication and Amended and Restated Articles of Incorporation attached hereto as Exhibit A be approved and adopted by action of the shareholder; and

RESOLVED FURTHER, that the directors of the Company recommend that the Amended and Restated Bylaws of the Company attached hereto as Exhibit B be approved and adopted by action of the sole shareholder of the Company to be effective on the redomestication of the Company from Arizona to California when effectuated by the filing and acceptance of the Articles of Redomestication and Amended and Restated Articles of Incorporation with the California Secretary of State following the issuance of such approvals as may be required by the Arizona Insurance Commissioner and the California Insurance Commissioner; and

RESOLVED FURTHER, that these resolutions may be adopted through the written consent of all of the directors of the Company executed in counterpart.

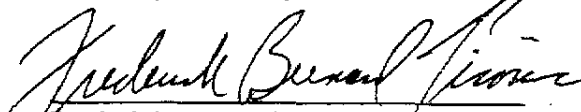
Dated as of the 23rd day of September, 2005.


James Wilson Austin, III


Bernard Martin Feldman


Henry Michael Freet


Ernest Sylvan Rady


Frederick Bernard Tisovic

**ARTICLES OF REDOMESTICATION AND
AMENDED AND RESTATED ARTICLES OF INCORPORATION**

Article One. The name of this Corporation is Explorer Insurance Company.

Article Two. The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code. Furthermore, pursuant to Section 202(b)(3) of the California Corporations Code, the business of the Corporation is to be an insurer subject to the provisions of the California Insurance Code. The Corporation is precluded from transacting the following classes of insurance business: life, title, mortgage, mortgage guaranty and financial guaranty insurance.

Article Three. The Corporation shall have perpetual existence.

Article Four. This Corporation is authorized to issue only one class of shares of stock; the total number of said shares shall be thirty thousand (30,000); the aggregate par value of all said shares shall be Three Million Dollars (\$3,000,000); and the par value of each of said shares shall be One Hundred Dollars (\$100). Upon the amendment of this article to read as herein set forth, each outstanding old share of a par value of Ten Dollars (\$10) is reconstituted as one-tenth (1/10) of a new share of a par value of One Hundred Dollars (\$100).

Article Five. The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

Article Six. The Corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with the agents, vote of shareholders or disinterested directors, or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the Corporation or its shareholders. The Corporation is further authorized to provide insurance for agents as set forth in Section 317 of the California Corporations Code, provided that, in cases where the Corporation owns all or a portion of the shares of the company issuing the insurance policy, the company and/or the policy must meet one of the two sets of conditions set forth in Section 317, as amended.

Article Seven. Any repeal or modification of the provisions of Article Four or Five by the shareholders shall not adversely affect any right or protection of an agent of this Corporation existing at the time of such repeal or modification.

Article Eight. Until changed by action of the board of directors, the name and address in the State of California of this Corporation's agent for service of process is: James W. Austin, III, 11455 El Camino Real, San Diego, CA 92130-2045.

AMENDED and RESTATED
BY-LAWS
OF
EXPLORER INSURANCE COMPANY

ARTICLE I
OFFICES

SECTION 1
PRINCIPAL OFFICE

The principal office for the transaction of the business of the corporation is hereby fixed and located in the County of San Diego, State of California.

The board of directors is hereby granted full power and authority to change said principal office from one location to another in said County.

SECTION 2
OTHER OFFICES

Branch or subordinate offices may at any time be established by the board of directors at any place or places where the corporation is qualified to do business.

ARTICLE II
MEETINGS OF SHAREHOLDERS

SECTION 1
PLACE OF MEETINGS

All annual meetings of shareholders shall be held at the principal office of the corporation, and all other meetings of shareholders shall be held either at the principal office or at any other place within or without the State of California which may be designated either by the board of directors pursuant to authority hereinafter granted to said board, or by the written consent of all shareholders entitled to vote thereat, given either before or after the meeting and filed with the secretary of the corporation.

SECTION 2
ANNUAL MEETINGS

(a) Time of Holding. The annual meetings of shareholders shall be held on the second Tuesday in May of each year: provided, however, that should said day fall upon a legal holiday, then any such annual meeting of shareholders shall be held at the same time and place on the next day thereafter ensuing which is not a legal holiday. The board of directors shall have the power to change the date of the annual meeting of shareholders from the aforesaid day. At such meetings directors shall be elected, reports of the affairs of the corporation shall be considered, and any other business may be transacted which is within the powers of the shareholders.

EXHIBIT B

(b) Notice. Written notice of each annual meeting shall be given to each shareholder entitled to vote, either personally or by mail or other means of written communication, charges prepaid, addressed to such shareholder at this address appearing on the books of the corporation or given by him to the corporation for the purpose of notice. If a shareholder gives no address, notice shall be deemed to have been given if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is situated or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to each shareholder entitled thereto not less than ten (10) days before each annual meeting, shall specify the place, the day and the hour of such meeting and shall state such other matters, if any, as may be expressly required by statute.

SECTION 3

SPECIAL MEETINGS AND NOTICE THEREOF

(a) How Called. Special meetings of the shareholders, for any purpose or purposes whatsoever, may be called at any time by the president or by the board of directors or by one or more shareholders holding not less than one fifth of the voting power of the corporation.

(b) Notice. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of shareholders. Notices of any special meeting shall specify, in addition to the place, the day and the hour of such meeting, the general nature of the business to be transacted.

SECTION 4

ADJOURNED MEETINGS AND NOTICE THEREOF

Any shareholders' meeting, annual or special, whether or not a Quorum is present, may be adjourned from time to time by the vote of the majority of the shares, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at such meeting.

When any shareholders' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

SECTION 5

VOTING AT MEETINGS OF SHAREHOLDERS

Subject to the provisions of Sections 702 through 704, inclusive, of the California Corporations Code, and subject to the right of the board of directors to provide otherwise, only persons in whose name shares entitled to vote standing on the stock records of the corporation on the day immediately preceding the day upon which notice of any meeting of shareholders is given, as provided in this Article, shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of any shares on the books of the corporation after such record date. Such record date shall not be more than fifty (50) days prior to such meeting.

Such vote may be yiva voce or by ballot; provided, however, that all elections for directors must be by ballot upon demand made by a shareholder at any election and before the voting begins. Every shareholder entitled to vote at any election for directors shall have the right to cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected, multiplied by the number of votes to which his shares are entitled, or to distribute his votes on the same principle among as many candidates as he shall think fit. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected.

SECTION 6 QUORUM

The presence in person or by proxy of persons entitled to vote a majority of the voting shares at any meeting shall constitute a quorum for the transaction of business.

The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

SECTION 7 CONSENT OF ABSENTEES

The transactions of any meeting of shareholders, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy and if, either before or after the meeting, each of the shareholders entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 8 ACTION WITHOUT MEETING

Any action which, under any provisions of the California General Corporation Law, may be taken at a meeting of the shareholders, except approval of an agreement for merger or consolidation of the corporation with other corporations, may be taken without a meeting if authorized by a writing signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the secretary of the corporation.

SECTION 9 PROXIES

Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the corporation, provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless the person executing it specifies therein the length of time for which such proxy is to continue in force which in no case shall exceed seven (7) years from the date of its execution.

ARTICLE III
DIRECTORS

SECTION 1
POWERS

Subject to limitations of the articles of incorporation, of the by-laws and of the California General Corporation Law as to action which shall be authorized or approved by the shareholders, and subject to the duties of directors as prescribed by the by-laws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by, the board of directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to-wit:

First: To conduct, manage and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with law or with the articles of incorporation or the by-laws, as they may deem best.

Second: To select and remove all the other officers, agents and employees of the corporation, to prescribe such powers and duties for them as may not be inconsistent with law, with the articles of incorporation or with the by-laws, to fix their compensation and to require from them security for faithful service.

Third: To change the principal office for the transaction of the business of the corporation from one location to another within the same county, as provided in Article I, Section 1, hereof; to fix and locate from time to time one or more subsidiary offices of the corporation within or without the State of California, as provided in Article I, Section 2, hereof; to designate any place within or without the State of California for the holding of any shareholders' meeting or meetings except annual meetings; and to adopt, make and use a corporate seal, to prescribe the forms of certificates of stock and to alter the form of such seal and of such certificates from time to time as in their judgment they may deem best, provided that such seal and such certificates shall at all times comply with the provisions of law.

Fourth: To authorize the issue of shares of stock of the corporation from time to time, upon such terms as may be lawful, in consideration of money paid, labor done or services actually rendered, debts or securities cancelled, or tangible or intangible property actually received or, in the case of shares issued as a dividend, against amounts transferred from surplus to stated capital.

Fifth: To borrow money and incur indebtedness for the purposes of the corporation and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

Sixth: To appoint an executive committee and other committees and to delegate to the executive committee any of the powers and authority of the board in the management of the business and affairs of the corporation, except the power to declare dividends and to adopt, amend or repeal by-laws. The executive committee shall be composed of two or more directors.

Seventh: To declare dividends at such times and in such amounts as the condition of the affairs of the corporation may warrant.

Eighth. Generally to exercise all of the powers and to perform all of the acts and duties that from time to time may be permitted by law appertaining to their office.

SECTION 2 NUMBER OF DIRECTORS

The authorized number of directors of the corporation shall be not less than three (3) nor more than five (5), with the exact number of directors to be fixed, within these limits, by approval of the directors or the shareholders. Unless so changed, the exact number shall be five (5).

SECTION 3 ELECTION AND TERM OF OFFICE

The directors shall be elected at each annual meeting of shareholders, but if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of shareholders held for that purpose. All directors shall hold office until their respective successors are elected.

SECTION 4 VACANCIES

Vacancies in the board of directors may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director. Each director so elected shall hold office until his successor is elected at an annual or a special meeting of the shareholders.

A vacancy or vacancies in the board of directors shall be deemed to exist in case of the death, resignation or removal of any director or if the authorized number of directors be increased or if the shareholders fail, at any annual or special meeting of shareholders at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. If the board of directors accepts the resignation of a director tendered to take effect at a future time, the board or the shareholders shall have the power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

SECTION 5 PLACE OF MEETING

Regular meetings of the board of directors shall be held at any place within or without the State of California which has been designated from time to time by resolution of the board or by written consent of all members of the board. In the absence of such designation, regular meetings shall be held at the principal office of the corporation. Special meetings of the board may be held either at a place so designated or at the principal office.

SECTION 6
ORGANIZATION MEETING

Immediately following each annual meeting of shareholders, the board of directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

SECTION 7
SPECIAL MEETINGS

Special meetings of the board of directors for any purpose or purposes shall be called at any time by the president or, if he is absent or unable or refuses to act, by any vice president or by any two directors.

Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by mail or by other form of written communication, charges prepaid, addressed to him at his address as it appears upon the records of the corporation or, if it is not so shown or is not readily ascertainable, at the place in which the meetings of directors are regularly held. In case such notice is mailed, it shall be deposited in the United States mail in the place in which the principal office of the corporation is located at least forty-eight (48) hours prior to the time of the holding of the meeting. In case such notice is delivered personally or electronically, it shall be so delivered or transmitted at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing, transmitting, or delivery, as above provided, shall be due, legal and personal notice to such director.

SECTION 8
ADJOURNMENT

A quorum of the directors may adjourn any directors' meeting to meet again at a stated day and hour; provided, however, that, in the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn from time to time or until the time fixed, for the next regular meeting of the board.

SECTION 9
NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

SECTION 10
ENTRY OF NOTICE

Whenever any director has been absent from any special meeting of the board of directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director as required by law and the by-laws of the corporation.

SECTION 11
WAIVER OF NOTICE

The transactions of any meeting of the board of directors, however called and noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice of or consent to holding the meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 12
QUORUM

A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinabove provided. Every act or decision done or made by a majority of the directors at a meeting duly held at which a quorum is present shall be regarded as an act of the board of directors unless a greater number be required by law or by the articles of incorporation.

SECTION 13
FEES AND COMPENSATION

Directors shall not receive any stated salary for their services as directors, but, by resolution of the board, a fixed fee, with or without expenses of attendance, may be allowed to directors not receiving monthly compensation for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

SECTION 14
ACTION WITHOUT MEETING

Any action required or permitted to be taken by the board of directors under the California General Corporation Law may be taken without a meeting if all members of the board individually or collectively consent in writing to such action. Such consent or consents shall be filed with the minutes of the meetings of the board. Any certificate or other document filed under the provision of the California General Corporation Law which relates to action so taken shall state that the action was taken by unanimous written consent of the board of directors without a meeting and that the by-laws authorized the directors to so do.

SECTION 15
PARTICIPATION THROUGH COMMUNICATIONS EQUIPMENT

Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting through the use of conference telephone constitutes presence in person at the meeting as long as all directors participating in the meeting are able to hear one another. Participation in a meeting through the use of electronic video screen

communication or other communications equipment, other than conference telephone, constitutes presence in person at the meeting if all of the following apply:

- a. Each director participating in the meeting can communicate with all of the other directors concurrently;
- b. Each director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation; and
- c. The corporation adopts and implements some means of verifying both of the following: (i) a person participating in the meeting is a director or other person entitled to participate in the meeting; and (ii) all actions of, or votes by, the directors are taken or cast only by the directors and not by persons who are not directors.

ARTICLE IV OFFICERS

SECTION 1 OFFICERS

The officers of the corporation shall be a president, a vice president, a secretary and a treasurer. The corporation may also have, at the discretion of the board of directors, a chairman of the board of directors, one or more additional vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. Officers other than the president and the chairman of the board of directors need not be directors. One person may hold two or more offices, except those of president and secretary.

SECTION 2 ELECTION

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by the board of directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve or his successor shall be elected and qualified.

SECTION 3 SUBORDINATE OFFICERS

The board of directors may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the by-laws or as the board of directors may from time to time determine.

SECTION 4
REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board or, except in the case of an officer chosen by the board of directors, by any officer upon whom such power of removal may be conferred by the board of directors.

Any officer may resign at any time by giving written notice to the board of directors or to the president or to the secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5
VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the by-laws for regular appointments to such office.

SECTION 6
CHAIRMAN OF THE BOARD

The chairman of the board, if there shall be such an officer, shall, if present, preside at all meetings of the board of directors and exercise and perform all such other powers and duties as may from time to time be assigned to him by the board of directors or prescribed by the by-laws.

SECTION 7
PRESIDENT

The president shall, subject to the board of directors, have general supervision, direction and control of the business and other officers and employees of the corporation. He shall preside at all meetings of the shareholders and, if there is no regularly appointed chairman of the board or if such chairman is absent, at all meetings of the board of directors. He shall be ex officio a member of all standing committees, including the executive committee, if any, and shall have general powers and duties of management, together with such other powers and duties as may be prescribed by the board of directors.

SECTION 8
VICE PRESIDENTS

In the absence or disability of the president, the vice presidents in order of their rank as fixed by the board of directors or, if not ranked, the vice president designated by the board of directors, shall perform all the duties of the president and, when so acting, shall have all the powers of and be subject to, all the restrictions upon the president. The vice presidents shall have such other powers and shall perform such other duties as from time to time may be prescribed for them respectively by the board of directors or the by-laws.

SECTION 9
SECRETARY

The secretary shall keep, or cause to be kept, a book of minutes at the principal office, or such other place as the board of directors may order, of all meetings of directors and shareholders, with the time and place of holding, whether regular or special and, if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at shareholders' meetings and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal office or at the office of the corporation's transfer agent, a share register or a duplicate share register showing the names of the shareholders and their addresses, the number and classes of shares held by each, the number and the date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered, for cancellation.

The secretary shall give, or cause to be given, notice of all the meetings of the shareholders and of the board of directors required by the by-laws or by law to be given, shall keep the seal of the corporation in safe custody and shall have such other powers and shall perform such other duties as may be prescribed by the board of directors or the by-laws.

SECTION 10
ASSISTANT SECRETARIES

In the absence or disability of the secretary, the assistant secretaries in order of their rank as fixed by the board of directors or, if not ranked, the assistant secretary designated by the board of directors, shall perform all the duties of the secretary and, when so acting, shall have all the powers of and be subject to, all the restrictions upon the secretary. The assistant secretaries shall have such other powers and shall perform such other duties as from time to time may be prescribed for them respectively by the board of directors or the by-laws.

SECTION 11
TREASURER

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares.

The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board of directors. He shall be responsible for the proper disbursement of the funds of the corporation as may be ordered by the board of directors and shall render to the president or directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation. The treasurer shall prepare a proper annual budget of income and expenses for each calendar year, revised quarterly, for approval of or revision by the board of directors, and shall be responsible for the handling of finances in connection therewith. He shall have such other powers and shall perform such other duties as may be prescribed by the board of directors. He shall see that all

officers signing checks are bonded in such amounts as may be fixed from time to time by the board of directors.

SECTION 12
ASSISTANT TREASURERS

In the absence of or disability of the treasurer, the assistant treasurers in order of their rank or, if not ranked, the assistant treasurer designated by the board of directors, shall perform all the duties of the treasurer and, when so acting, shall have all the powers of and be subject to, all the restrictions upon the treasurer. The assistant treasurers shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the board of directors or the by-laws.

SECTION 13
REIMBURSEMENTS

Any payments made to an officer of this corporation as salary, commission, bonus, interest or rent, or entertainment expense incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service or California Franchise Tax Board, shall be reimbursed by such officer to this corporation to the full extent of such disallowance. This corporation's board of directors shall have the duty to enforce payment of such amount disallowed. In lieu of payment by the officer, subject to the determination of the directors, proportionate amounts may be withheld from his future compensation payments until the amount owed to this corporation has been recovered.

ARTICLE V
SHARES OF STOCK

SECTION 1
SHARE CERTIFICATES

The certificates of shares of the capital stock of the corporation shall be in such form consistent with the articles of incorporation and the laws of the State of California as shall be approved by the board of directors. All such certificates shall be signed by the president or, in the event of his inability to sign any certificate, by a vice president and the secretary or an assistant secretary, or must be authenticated by facsimiles of the signatures of the proper officers of the corporation in the manner provided by law.

SECTION 2
FRACTIONAL SHARES

The corporation may issue, sell or transfer fractional shares,

SECTION 3
TRANSFER OF SHARES

Subject to the provisions of law, upon the surrender to the corporation of a certificate for shares duly endorsed, or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new

certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

SECTION 4 LOST OR DESTROYED CERTIFICATES

The holder of any shares of stock of the corporation shall immediately notify the corporation of any loss or destruction of the certificate therefor, and the corporation may issue a new certificate in the place of any certificate theretofore issued by it alleged to have been lost or destroyed, upon approval of the board of directors. The board may, in its discretion, as a condition to authorizing the issue of such new certificate, require the owner of the lost or destroyed certificate, or his legal representative, to make proof satisfactory to the board of directors of the loss or destruction thereof and to give the corporation a bond or other security, in such amount and with such surety or sureties, as the board of directors may determine, as indemnity against any claim that may be made against the corporation on account of any such certificate so alleged to have been lost or destroyed.

SECTION 5 RECORD DATE AND CLOSING STOCK BOOKS

The board of directors may fix a date in the future as a record date for the determination of the shareholders entitled to receive any dividend, or distribution or any allotment of rights or to exercise rights with respect to any change, conversion or exchange of shares. The record date so fixed shall not be more than fifty (50) days prior to the date of such event for the purposes of which it is fixed. When a record date is so fixed, only shareholders of record on that day shall be entitled to receive the dividend, distribution or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date. The board of directors may close the books of the corporation against transfers of shares during the whole or any part of a period of not more than fifty (50) days prior to the date when the right to any dividend, distribution or allotment of rights vests, or the effective date of any change, conversion or exchange of shares.

ARTICLE VI MISCELLANEOUS

SECTION 1 INSPECTION OF BY-LAWS

The corporation shall keep in its principal office, for the transaction of business, the original, or a copy, of the by-laws and any amendments thereto, certified by the secretary, which shall be open to inspection by shareholders at all reasonable times during office hours.

SECTION 2
INSPECTION OF CORPORATE RECORDS

The share register or duplicate share register, the books of account and the minutes of proceedings of the shareholders and the board of directors and of executive committees of directors shall be open to inspection, upon the written demand of any shareholder or the holder of a voting trust certificate, at any reasonable time, and for a purpose reasonably related to his interests as a shareholder or as the holder of such voting trust certificate, and shall be exhibited, at any time when required by the demand at any shareholders' meeting of ten percent (10%) of the shares represented at the meeting. Such inspection may be made in person or by an agent or attorney and shall include the right to make extracts. Demand of inspection, other than at a shareholders' meeting, shall be made in writing upon the president, secretary, assistant secretary or general manager of the corporation.

SECTION 3
CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by resolution of the board of directors.

SECTION 4
CONTRACTS, ETC., HOW EXECUTED

The board of directors, except as in the by-laws otherwise provided, may authorize any officer or officers or agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances; and, unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit to render it liable for any purpose or to any amount.

SECTION 5
REPRESENTATION OF SHARES OF
OTHER CORPORATIONS

The president or, in the event of his absence or inability to serve, any vice president and the secretary or assistant secretary of this corporation are authorized to vote, represent and exercise, on behalf of this corporation, all rights incidental to any and all shares of any other corporation standing in the name of this corporation. The authority herein granted to said officers to vote or represent on behalf of this corporation any and all shares held by this corporation in any other corporation may be exercised either by such officers in person or by any person authorized to do so by proxy or power of attorney duly executed by said officers.

SECTION 6
ANNUAL REPORT

The annual report to shareholders referred to in Section 1501 of the California Corporations Code is expressly dispensed with, but the board of directors of the corporation may cause to be sent to the shareholders, not later than one hundred twenty (120) days after the close of the fiscal or calendar year, an annual report in such form as may be deemed appropriate by the board of directors,

ARTICLE VII
AMENDMENTS TO BY-LAWS

SECTION 1
POWER OF SHAREHOLDERS

New by-laws may be adopted or these by-laws may be amended or repealed by the vote of the shareholders entitled to exercise a majority of the voting power of the corporation or by the written assent of such shareholders.

SECTION 2
POWER OF DIRECTORS

The directors shall have the power, subject to the limitations contained in Sections 211 and 212 of the Corporations Code of the State of California, to amend, adopt or repeal a by-law or the by-laws by the vote of a majority of the directors given at any regular or special meeting of the board of directors called for said purpose.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting secretary of THE EXPLORER INSURANCE COMPANY, a California corporation; and
2. That the foregoing by-laws, comprising ~~6 pages~~ 85 pages, including this page, constitute the amended and restated by-laws of said corporation as duly adopted by written consent of the sole shareholder of the corporation dated 9-23-05, providing that such amended and restated by-laws shall be effective upon the redomestication of the corporation from Arizona to California.

May E Cannon
Secretary

