

808500

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

☐

PICK-UP

☐

WAIT

☐

MAIL

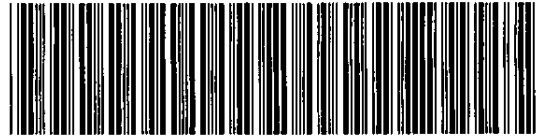
(Business Entity Name)

(Document Number)

Certified Copies _____ Certificates of Status _____

Special Instructions to Filing Officer:

Office Use Only



700266213947

11/12/14--01017--016 **52.50

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
14 NOV 12 AM 9:39

C. Lewis
11-21-14



Enstar (US) Inc.

November 11, 2014

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

Re: Clarendon National Insurance Company (NAIC# 20532) Re-domestication from NJ to IL

To Whom It May Concern:

Enclosed please find the following documents for the Florida Department of State, Division of Corporation's records, as part of the re-domestication of the Clarendon National Insurance Company from New Jersey to Illinois:

- Florida form showing new state of domicile
- Illinois Certified Articles of Reorganization
- By-Laws Certified by Corporate Secretary
- Check for total of \$52.50 for:
 - Filing fee (Includes letter of acknowledgment)
 - Certified copy
 - Certificate of Status

In order to process the re-domestication, the Florida Office of Insurance has requested documentation showing these charter documents have been filed with the Florida Secretary of State. Please kindly provide all of the documentation to the address below:

- Enstar (US) Inc.
Attn: Nadja Stavenhagen
411 Fifth Avenue, 5th Floor
New York, NY 10016

If the fees which have been provided are insufficient, please attach an invoice for the required amount, to the same address or contact me via email at nadja.stavenhagen@enstargroup.com.

Sincerely yours,

N. Stavenhagen
Nadja Stavenhagen
VP, Legal Counsel

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)

808500

(Document number of corporation (if known))

FILED
SECRETARY OF CORPORATIONS
14 NOV 12 AM 9:39

1. Clarendon National Insurance Company
(Name of corporation as it appears on the records of the Department of State)

2. Illinois 3. March 16, 1951
(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? N/A

5. N/A
(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.

Illinois
(New jurisdiction)

8. Attached is a certificate or document of similar import, evidencing the amendment, authenticated not more than 90 days prior to delivery of the application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the laws of which it is incorporated.

N Stavenhagen
(Signature of a director, president or other officer - if in the hands of a receiver or other court appointed fiduciary, by that fiduciary)

Nadja Stavenhagen

(Typed or printed name of person signing)

Vice President

(Title of person signing)



STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
320 WEST WASHINGTON STREET
SPRINGFIELD, ILLINOIS 62767-0001



I, the undersigned, Director of Insurance of the State of Illinois, hereby certify that the document to which this Certification is attached is a true and correct copy of the original now on file in and forming a part of the records of the Illinois Department of Insurance.

In witness whereof, I hereto set my hand and cause to be affixed this Seal in Springfield, Illinois.

Date: NOV. 5 2014 Andrew Bacon
Director of Insurance *ams*

The undersigned certify that:

1. They are the Chief Executive Officer and the Secretary.
2. The following Articles of Reorganization were adopted pursuant to action by the Corporation's Board of Directors and Shareholders, approval to redomesticate by the Director of the New Jersey Department of Banking and Insurance, and approval to reorganize by the Director of the Department of Insurance of the State of Illinois.
3. The Articles of Reorganization of this corporation read as follows:

ARTICLES OF REORGANIZATION
OF
CLARENDON NATIONAL INSURANCE COMPANY

Article 1. The name of the corporation shall be Clarendon National Insurance Company.

Article 2. The location of the principal office shall be 190 South LaSalle, Suite 2025, Chicago, IL 60603.

Article 3. The corporation was originally incorporated in the State of Maryland under the name Cavalier Insurance corporation, on July 21, 1941, and subsequently changed its corporate name to Clarendon National Insurance Company, and on or about June 1, 1995, redomesticated from the State of Maryland to the State of New Jersey and was organized pursuant to Chapters 17 to 33 of Title 17 and Title 17B of the Revised Statutes of New Jersey.

Article 4. The purpose for which the corporation is formed is to engage in the following kinds of insurance and reinsurance business as defined in Class 2 and Class 3 of Section 4 of the Illinois Insurance Code (215 ILCS 5/4):

Class 2 of Section 4 of the Illinois Insurance Code

(a) Accident and Health. Insurance against bodily injury, disablement or death by accident and against disablement resulting from sickness or old age and every insurance appertaining thereto, including stop-loss insurance. Stop-loss insurance is insurance against the risk of economic loss issued to a single employer self-funded employee disability benefit plan or an employee welfare benefit plan as described in 29 U.S.C. 1001 et seq.

(b) Vehicle. Insurance against any loss or liability resulting from or incident to the ownership, maintenance or use of any vehicle (motor or otherwise), draft animal or aircraft. Any policy insuring against any loss or liability on account of the bodily injury or death of any person may contain a provision for payment of disability benefits to injured persons and death benefits to dependents, beneficiaries or personal representatives of persons who are killed, including the named insured, irrespective of legal liability of the insured, if the injury or death for which benefits are provided is

caused by accident and sustained while in or upon or while entering into or alighting from or through being struck by a vehicle (motor or otherwise), draft animal or aircraft, and such provision shall not be deemed to be accident insurance.

(c) Liability. Insurance against the liability of the insured for the death, injury or disability of an employee or other person, and insurance against the liability of the insured for damage to or destruction of another person's property.

(d) Workers' Compensation. Insurance of the obligations accepted by or imposed upon employers under laws for workers' compensation.

(e) Burglary and Forgery. Insurance against loss or damage by burglary, theft, larceny, robbery, forgery, fraud or otherwise; including all householders' personal property floater risks.

(f) Glass. Insurance against loss or damage to glass including lettering, ornamentation and fittings from any cause.

(g) Fidelity and Surety. Become surety or guarantor for any person, copartnership or corporation in any position or place of trust or as custodian of money or property, public or private; or, becoming a surety or guarantor for the performance of any person, co-partnership or corporation of any lawful obligation, undertaking, agreement or contract of any kind, except contracts or policies of insurance; and underwriting blanket bonds. Such obligations shall be known and treated as suretyship obligations and such business shall be known as surety business.

(h) Miscellaneous. Insurance against loss or damage to property and any liability of the insured caused by accidents to boilers, pipes, pressure containers, machinery and apparatus of any kind and any apparatus connected thereto, or used for creating, transmitting or applying power, light, heat, steam or refrigeration, making inspection of and issuing certificates of inspection upon elevators, boilers, machinery and apparatus of any kind and all mechanical apparatus and appliances appertaining thereto; insurance against loss or damage by water entering through leaks or openings in buildings, or from the breakage or leakage of a sprinkler, pumps, water pipes, plumbing and all tanks, apparatus, conduits and containers designed to bring water into buildings or for its storage or utilization therein, or caused by the falling tank, tank platform or supports, or against loss or damage from any cause (other than causes specifically enumerated under Class 3) to such sprinkler, pumps, water pipes, plumbing and all tanks, apparatus conduits and containers; insurance against loss or damage which may result from the failure of debtors to pay their obligations to the insured; and insurance of the payment of money for personal services under contracts of hiring.

(i) Other Casualty Risks. Insurance against any other casualty risk not otherwise specified under Class 1 or 3, which may lawfully be the subject of insurance and may properly be classified under Class 2.

(j) Contingent Losses. Contingent and individual indirect coverage wherein the proximate cause of the loss is attributable to any one of the causes enumerated in Class 2. Such coverages shall, for

purposes of classification, be included in the specific groupings of the kinds of insurance wherein such cause is specified.

(k) Livestock and Domestic Animals. Insurance against mortality, accident and health of livestock and domestic animals.

Class 3 of Section 4 of the Illinois Insurance Code

(a) Fire. Insurance against loss or damage by fire, smoke and smudge, lightning or other electrical disturbance.

(b) Elements. Insurance against loss or damage by earthquake, windstorm, cyclone, tornado, tempests, hail, frost, snow, ice, sleet, flood, rain, drought or other weather or climatic conditions including excess or deficiency of moisture, rising of the waters of the ocean or its tributaries.

(c) War, Riot and Explosion. Insurance against loss or damage by bombardment, invasion, insurrection, riot, strikes, civil war or commotion, military or usurped power, or explosion (other than an explosion of steam boilers and the breaking of fly wheels on premises owned, controlled, managed, or maintained by the insured.)

(d) Marine and Transportation. Insurance against loss or damage to vessels, craft, aircraft, vehicles of every kind, (excluding vehicles operating under their own power or while in storage not incidental to transportation) as well as all goods, freights, cargoes, merchandise, effects, disbursements, profits, moneys, bullion, precious stones, securities, choses in action, evidences of debt, valuable papers, bottomry and respondentia interests and all other kinds of property and interests therein, in respect to, appertaining to or in connection with any and all risks or perils of navigation, transit, or transportation, including war risks, on or under any seas or other waters, on land or in the air, or while being assembled, packed, crated, baled, compressed or similarly prepared for shipment or while awaiting the same or during any delays, storage, transshipment, or reshipment incident thereto, including marine builder's risks and all personal property floater risks; and for loss or damage to persons or property in connection with or appertaining to marine, inland marine, transit or transportation insurance, including liability for loss of or damage to either arising out of or in connection with the construction, repair, operation, maintenance, or use of the subject matter of such insurance, (but not including life insurance or surety bonds); but, except as herein specified, shall not mean insurances against loss by reason of bodily injury to the person; and insurance against loss or damage to precious stones, jewels, jewelry, gold, silver and other precious metals whether used in business or trade or otherwise and whether the same be in course of transportation or otherwise, which shall include jewelers' block insurance; and insurance against loss or damage to bridges, tunnels and other instrumentalities of transportation and communication (excluding buildings, their furniture and furnishings, fixed contents and supplies held in storage) unless fire, tornado, sprinkler leakage, hail, explosion, earthquake, riot and civil commotion are the only hazards to be covered; and to piers, wharves, docks and slips, excluding the risks of fire, tornado, sprinkler leakage, hail, explosion, earthquake, riot and civil commotion; and to other aids to navigation and transportation, including dry docks and marine railways, against all risk.

(e) Vehicle. Insurance against loss or liability resulting from or incident to the ownership, maintenance or use of any vehicle (motor or otherwise), draft animal or aircraft, excluding the liability of the insured for the death, injury or disability of another person.

(f) Property Damage, Sprinkler Leakage and Crop. Insurance against the liability of the insured or loss or damage to another person's property or property interests from any cause numerated in this class; insurance against loss or damage by water entering through leaks or openings in buildings, or from breakage or leakage of a sprinkler, pumps, water pipes, plumbing and all tanks, apparatus, conduits and containers designed to bring water into buildings or for its storage or utilization therein, or caused by the falling of a tank, tank platform or supports or against loss or damage from any cause to such sprinklers, pumps, water pipes, plumbing, tanks, apparatus, conduits, or containers; insurance against loss or damage from insects, diseases or other causes to trees, crops or other products of the soil.

(g) Other Fire and Marine Risks. Insurance against any other property risk not otherwise specified under Classes 1 or 2, which may lawfully be the subject of the insurance and may properly be classified under Class 3.

(h) Contingent Losses. Contingent, consequential and indirect coverages wherein the proximate cause of the loss is attributable to any of the causes enumerated under Class 3. Such coverages shall, for the purpose of classification, be included in the specific grouping of the kinds of insurance wherein such cause is specified.

Article 5. The corporation shall be bound by all terms and provisions of the Illinois Insurance Code applicable to similar domestic companies organized or incorporated thereunder.

Article 6. The authorized capital shall be \$ 4,800,000.00 to consist of 48,000 common shares at a par value of \$ 100 per share. Since 48,000 common shares were issued in accordance with Article II of the Illinois Insurance Code, the corporation is in compliance with the minimum requirement of \$1,000,000 paid-up capital. Further, the Corporation has well in excess of the required \$ 1,000,000 in policyholder surplus.

Article 7. The corporate powers shall be exercised by a Board of Directors. The Board of Directors shall consist of not less than five and not more than ten directors, each of which shall be at least eighteen years of age and at least three of which shall be residents of Illinois and U.S. citizens. The number of directors to be selected within the minimum and maximum limits set forth herein, shall be as provided in the bylaws, and the number of directors may be increased or decreased from time to time by amendment of the bylaws. However, at all times at least twenty percent of the directors, but not less than one, shall be persons who are not an officer or employee of the corporation, if the corporation is not a part of an insurance holding company system, or not less than one-third of the directors shall be persons who are not officers or employees of the corporation or of any entity controlling, controlled by, or under common control with the corporation and who are not beneficial owners of a controlling interest in the voting stock of the corporation or entity, if the corporation is a part of a holding company system. However, if the corporation is a part of a holding company system, and if the entity controlling the corporation, whether directly or through an intermediate subsidiary, has a Board of Directors

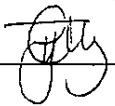
composed in accordance with the requirements of the previous sentence, then it is not necessary for the Board of Directors of the corporation itself to be composed in accordance with those requirements.¹ The Board of Directors shall be elected by the stockholders of the corporation at the annual meeting. In all elections for directors each stockholder shall have the right to vote in person or by proxy the number of shares owned by him for as many persons as there are directors to be elected or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of shares of stock shall equal, or to distribute them on the same principle among as many candidates as he may desire. A director shall serve for a term of one year and until his successor is duly-elected and qualified except that directors elected by the stockholders at the first meeting following incorporation shall serve until the first annual meeting of stockholders. The stockholders at any regular or special meeting may fill any vacancy in the Board of Directors for the unexpired term.

Article 8. The Board of Directors shall adopt bylaws for its own government and for the government of the business of the corporation. The Company may issue both participating and non-participating policies. The Board of Directors shall have the power to determine the amount and manner of payment of dividends to the holders of participating policies. Such dividends shall be in accordance with such rates and rules and applicable to such kind or kinds of insurance as may be determined by the Board of Directors, which shall have the power to adopt any bylaws pertaining to such declaration and payment which in the judgment of the said Board of Directors seem necessary or desirable.

Article 9. The fiscal year shall commence January first and terminate December thirty-first of each year.

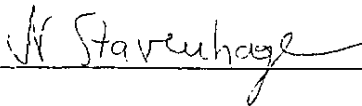
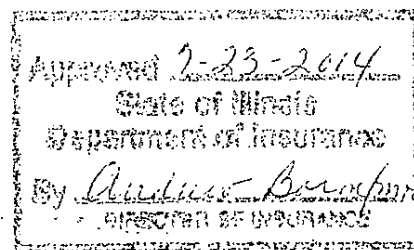
Article 10. The duration of the corporation shall be perpetual.

IN WITNESS WHEREOF, we have subscribed our names and caused the seal of Clarendon National Insurance Company to be affixed this 26th day of June, 2014.



Thomas James Nichols, President

(SEAL)



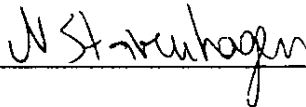
Nadja Stavenhagen, Assistant Secretary

SECRETARY'S CERTIFICATE AS TO BYLAWS

I, Nadja Stavenhagen, the duly elected Assistant Secretary of Clarendon National Insurance Company, HEREBY CERTIFY as follows:

1. I have been and am the duly elected Corporate Assistant Secretary of Clarendon National Insurance Company, an Illinois domiciled Insurance Company (the "Company").
2. Attached hereto, as Exhibit A, is a true, accurate and complete copy of the Bylaws of the Company, that have been adopted up to and including the date of this Secretary's Certificate.


Signed this 11 day of November 2014



Nadja Stavenhagen, Assistant Secretary

Subscribed and sworn to before me this 11 day of November 2014

Christopher Robert Wendt
Notary Public, State of New York
No. 01WE6303981
Qualified in Nassau County
Commission Expires May 19, 2018



Notary Public

Exhibit A

(Bylaws of Clarendon National Insurance Company)

BYLAWS
OF
CLARENDON NATIONAL INSURANCE COMPANY

Article 1. STOCKHOLDERS' MEETINGS

1.1. **Annual Meeting.** The annual meeting of stockholders shall be held on the date and at the time designated by the Board of Directors. A special meeting of the stockholders may be called by the Chairman, or by the Secretary, or by any officer directed to do so by the Board of Directors. Notice of an annual or special meeting of stockholders shall be mailed at least ten (10) days prior to the meeting to each stockholder at such address as appears on the stock record of the Company, stating the time and place of the meeting. The notice of a special meeting of stockholders shall state the purpose of the meeting. Any annual or special meeting of stockholders may act on any proposal included in the notice of the meeting, and in addition thereto, any other proposal except a proposal for which special notice is required by statute.

1.2. **Notice.** Notice of any annual or special meeting of the stockholders may be waived by any stockholder, and failure of any stockholder to receive notice of any meeting of stockholders shall not invalidate the meeting.

1.3. **Quorum.** At any meeting of the stockholders, a majority of the stock issued and outstanding and entitled to vote thereat, shall be requisite and shall constitute a quorum for the transaction of business except as otherwise provided by statute. If, however, a quorum shall not be present at any meeting, the stockholders present may recess the meeting from time to time by a majority vote, to reconvene without notice other than announcement at the meeting. Any resolution of recess shall state the time and place at which the meeting shall reconvene. At any recessed meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

1.4. **Voting.** At any meeting of the stockholders, each stockholder shall be entitled to vote in person or by proxy appointed by an instrument in writing subscribed by such stockholder or by his duly authorized attorney, and shall have one vote for each share of stock standing registered in his name on the stock record of the Company. Except as otherwise provided by statute, a majority of the votes cast shall be sufficient to adopt or reject any proposal. In all elections for directors each stockholder shall have the right to vote in person or by proxy the number of shares owned by him for as many persons as there are directors to be elected or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of shares of stock shall equal, or to distribute them on the same principle among as many candidates, as he may desire.

Article 2. BOARD OF DIRECTORS

2.1. **Number, Election .** The corporate powers shall be exercised by, and the business and affairs of the Company shall be under the control of the board of directors, which shall consist of a maximum of

10 persons and a minimum of 5 persons. Directors, other than the first Board of Directors, shall be elected at the annual meeting of the stockholders, and each director shall be elected to serve until the next succeeding annual meeting and until his successor shall have been elected and qualified. The first Board of Directors elected at the first meeting of stockholders following incorporation shall hold office until the first annual meeting of stockholders.

2.2 Powers. In addition to the powers and authority expressly conferred by the bylaws and the articles of incorporation, the Board of Directors may exercise all such powers of the Company and do all such lawful acts and things as are not required by statute or by the articles of Incorporation or by the bylaws to be exercised or done by the stockholders.

2.3. Dividends. The Board of Directors from time to time may adopt resolutions and authorize the payment of refunds of unabsorbed premium deposits (dividends) to the holders of participating policies. Such refunds (dividends) shall be in accordance with such rates and rules and applicable to such kind or kinds of insurance or policies of insurance or classifications thereof as may be determined by the Board of Directors.

2.4. Organization Meeting. The Board of Directors shall meet and organize as soon as practicable after the annual meeting of the stockholders. If the organization meeting of the Board of Directors is held immediately after the adjournment of the annual meeting of stockholders, no notice of such meeting need be given to any director.

2.5. Schedule, Action by Consent. The Board of Directors may prescribe a schedule of regular meetings stating the times and places thereof, and when such schedule is adopted no notice of any such meeting need be given to the directors. Where time is of the essence, but not in lieu of a regular meeting, any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee thereof may be taken without a meeting if all members of the Board or Committee consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board (or Committee).

2.6. Special Meeting, Notice. A special meeting of the Board of Directors may be called by the Chairman or Secretary on three (3) days' notice. Such notice may be given personally, by telephone, by telegram, by facsimile or by written notice mailed or delivered to the business or residence address of a director. Notice of meeting may be waived by any director, and attendance of a director shall constitute a waiver of notice of such meeting, except where such director attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board of Directors need be stated in the notice or waiver of notice of such meeting unless expressly required by statute.

2.7. Quorum. A majority of the Board of Directors shall be requisite and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a quorum be present at any meeting, a majority of those present may recess the meeting from time to time to reconvene without notice other than by announcement at the meeting, until a quorum shall be present.

2.8. Voting. Except as otherwise provided by statute, by the articles of incorporation or by the bylaws a majority of the votes cast by the directors shall be sufficient to adopt or reject any proposal.

Article 3. EXECUTIVE COMMITTEE

3.1. Election, Powers. The Board of Directors by vote of a majority of the directors may elect an Executive Committee of not less than three (3) directors as regular members and one or more directors as alternate members. The Chairman shall have power to designate any alternate member or members to serve on the Executive Committee at any time during the absence or disability of a regular member. The Executive Committee shall have and exercise, during the interim between the meetings of the Board, all the authority of the Board of Directors. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. A meeting of the Executive Committee may be called and held in conformity with the provisions of the bylaws relating to a meeting of the Board of Directors, or such meeting may be held informally and action recorded by any member of the Committee in Executive Committee minutes. The votes of a majority of the members of the Executive Committee shall govern with respect to any proposal. The minutes of the meetings of the Executive Committee shall be reported to the Board of Directors.

3.2. Investments. The Executive Committee shall have general charge of the investment affairs of the Company, with power to determine and authorize the purchase or sale of any security or property, and to determine or authorize any action with respect to the liquidation of, exchange of, or the exercise of any right pertaining to any security or property in which the Company has an interest or which belongs to the Company.

3.3. Dividends. The Executive Committee shall have power to adopt resolutions and authorize the payment of refunds of unabsorbed premium deposits (dividends) to the holders of participating policies.

3.3. Company Funds. The Executive Committee shall have power to adopt resolutions governing the deposit of funds of the Company and the manner of withdrawal or disbursement of funds, and to authorize the leasing of safe deposit boxes and to provide rules and regulations for access to any safe deposit box. The Executive Committee shall have the right to repeal or amend any resolution previously adopted by the Board of Directors with respect to any banking account or deposit of funds or safe deposit box unless such resolution shall have specifically reserved to the Board of Directors the exclusive right to amend or repeal such resolution.

3.4. Limitation of Authority. The Board of Directors may limit or restrict the authority of the Executive Committee to any extent stated in a resolution adopted by the Board of Directors.

Article 4. FINANCE COMMITTEE

Powers, Members By resolution of the Board of Directors there may be delegated to a Finance Committee composed of members of the Board of Directors any authority or power determined by the Board of Directors respecting the making of loans and investments of the funds of the Company and the taking of any action with respect to the custody of, the liquidation, sale or exchange of, or the exercise

of any right pertaining to any security or asset belonging to the Company and such other powers relating to the deposit of or custody of funds of the Company as may be stated in such resolution. The Finance Committee shall consist of not less than three nor more than five regular members and one or more alternate members as may be determined by the Board of Directors. The provisions of Section 13 relating to the designation of alternates and the requirements for calling and holding a meeting of the Executive Committee shall apply to meetings of the Finance Committee.

Article 5. OFFICERS

5.1. **Selection.** The Board of Directors shall elect or appoint the officers specified or provided for in the bylaws, the members of the Executive Committee, the members of any committee or advisory board and such other officers as it may deem advisable, and determine the powers and duties of such officers. The Board shall have power to fix the compensation of members of the Board for their services and shall fix or determine the manner of fixing the compensation of officers and employees of the Company. Any officer or committee member shall serve at the pleasure of the Board, except that with respect to an officer of the Company the Board of Directors shall have power to authorize a contract containing such provisions as to term or conditions of service as it may deem advisable. Any director may be an officer, but an officer need not be a director. One person may hold two or more offices, but the offices of President and Secretary shall not be held by the same person. Any vacancy in any office may be filled by the Board of Directors. Interim or temporary appointments may be made at any time by the Executive Committee. Any such appointment by the Executive Committee shall be reported to and confirmed by the Board of Directors at the next meeting.

5.2. **Chairman of the Board.** The Chairman of the Board shall preside at the meetings of the Board of Directors, Executive Committee or Stockholders of the Company.

5.3. **Chief Executive Officer.** The Chief Executive Officer shall preside at meetings of the Board of Directors, Executive Committee and Stockholders in the absence of the Chairman of the Board and shall report to such meetings respecting the condition and affairs of the Company.

5.4. **President, Vice President, Treasurer, and Secretary.** The President, an Executive Vice President, a Financial Vice President, a Vice President, a Treasurer or a Secretary shall have the usual duties incident to his office and also such duties and responsibilities as may be prescribed by the Board of Directors, the Executive committee or by the Chairman of the Board.

Article 6. STOCKHOLDERS

6.1. **Certificates.** The certificates of stock of the Company shall be numbered and shall be entered in the books of the Company as they are issued. They shall show the holder's name and number of shares and shall be signed by the President or a Vice President and by the Treasurer, or an Assistant Treasurer, or a Secretary, or an Assistant Secretary.

6.2. Transfer . A transfer of stock shall be made on the record of the Company only by the person named in the certificate or by his attorney lawfully constituted in writing, and upon surrender of the certificate therefor.

6.3. Record Date. The Board of Directors shall have power to close the stock transfer record of the Company for a period not exceeding forty (40) days preceding:

- (a) the date of any meeting of stockholders, or
- (b) the date for payment of any dividend, or
- (c) the date for any allotment of rights, or
- (d) the date when any change or conversion or exchange of capital stock shall go into effect,

or in lieu of closing the stock transfer record, the Board of Directors may fix in advance a date not exceeding forty (40) days prior to a date mentioned in items (a), (b), or (c) as a record date for any purpose stated in such items, and only such stockholders as shall be stockholders of record on the closing or record date so fixed shall be entitled to notice of and to vote at such meeting, or to exercise rights respecting change or conversion or exchange of capital stock, as the case may be, notwithstanding any transfer of any stock on the record of the Company after such record date.

6.4. Holder of Record. The Company shall be entitled to treat the holder of record of any shares of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to, or interest in, such shares on the part of any other person, whether or not the Company shall have express or other notice thereof, except as otherwise expressly provided by the laws of Illinois.

6.5. Replacement . The Board of Directors may direct a new certificate of stock to be issued in the place of any certificate of stock theretofore issued by the Company alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost or destroyed. The Board of Directors when directing such issuance of a new certificate of stock, in its discretion and as a condition precedent to the issuance thereof, may require the owner of such lost or destroyed certificate to advertise the same in such manner as it shall require and to give the Company a bond in such sum as the Board of Directors may determine as indemnity against any claim that may be made against the Company on account of such certificate of stock.

6.6. Inspection of Records . The Board of Directors may determine from time to time whether and if allowed, when and under what conditions and regulations the accounts and books of the Company (except such as by statute specifically may be required to be open to inspection) or any of them shall be open to the inspection of the stockholders, and the stockholders' rights in this respect are and shall be restricted and limited accordingly.

6.7. Dividends. Dividends upon the capital stock of the Company may be declared by the Board of Directors in its discretion at any regular or special meeting. Dividends may be paid in cash, property,

shares of capital stock, or in any other form or manner permitted by law, as determined by the Board of Directors.

6.8. Reserve Fund. Before payment of any dividend there may be set aside out of any funds of the Company available for dividends such sum or sums as the Board of Directors from time to time, in its discretion, deems proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Company, or for such other purpose as the Board of Directors shall deem conducive to the interests of the Company.

Article 7. MISCELLANEOUS

7.1. Fiscal Year. The fiscal year shall begin the first day of January in each year.

7.2. Indemnification.

(a) The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (Other than an action by or in the right of the Company) by reason of the fact that he or she is or was a director, officer, employee or agent, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in manner he or she reasonably believed to be in, or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Company or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

(b) The Company shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Company, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Company, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses as the court shall deem proper.

(c) To the extent that a director, officer, employee or agent of a company has been successful, on the merits or otherwise, in defense of any such action, suit or proceeding referred to in subsections (a) and (b), or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(d) Any indemnification under subsections (a) and (b) (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (a) or (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Company as authorized in these indemnification provisions.

(f) The indemnification provided with these provisions shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) For purposes of these indemnification provisions, references to "the Company" shall include, in addition to the surviving company, any merging company (including any company having merged with a merging company) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its directors, officers, and employees or agents, so that any person who was a director, officer, employee or agent of such merging company, or was serving at the request of such merging company as a director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, shall stand in the same position under these indemnification provisions with respect to such merging company if its separate existence had continued.

(h) For purposes of these indemnification provisions, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by such director, officer, employee or agent, with respect to any employee benefit

plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of any employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interest of the Company" as referred to in these indemnification provisions.

7.3. Bond. Any officer of the Company shall furnish a fidelity bond or a bond guaranteeing the faithful performance of his duties for such an amount as may be determined by the Board of Directors, and the cost of such bond shall be paid by the Company.

7.4. Seal. The form of the corporate seal may be determined from time to time by the Board of Directors.

7.5. Amendments. These bylaws may be repealed or amended by the vote of a majority of the whole Board of Directors at any regular or special meeting.

7.6. Authority to Execute Documents. Except where the Board of Directors by resolution confers authority to execute designated documents on specified individuals, all documents or instruments relating to the business of the Company shall be validly executed when signed by the chairman, chief executive officer, president, chief financial officer, vice president, treasurer, secretary, or any other officer, employee, or agent so authorized in writing by the chairman, chief executive officer, president, chief financial officer or any vice president. It shall not be necessary to affix the seal of the Company to any document for the proper execution of such document; however, where required by law or custom, the secretary, or any officer, employee, or agent authorized in writing by the secretary, may affix the seal of the Company to such document.

CERTIFICATION

I, the undersigned, as CEO of Clarendon National Insurance Company, a corporation reorganized and existing under the laws of the State of Illinois, do hereby certify that the foregoing is a true and complete copy of the By-laws of said Company as the same were adopted by action taken by consent of the Board of Directors of said Company, effective May 14, 2014, and that said By-laws are in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Company this 18th day of June, 2014.

[S E A L]


By: Steven Given, CEO

Filed this 23rd day of July 2014
Mandy Savage
Mandy Savage
Corporate Regulation Section