

DISTRICTS
MUTUAL INSURANCE

ARTICLES OF INCORPORATION

These Articles of Incorporation are executed by the undersigned Incorporator for the purpose of forming a Wisconsin municipal insurance mutual corporation WITHOUT STOCK AND NOT FOR PROFIT under Chapter 611 of the Wisconsin Statutes.

ARTICLE 1: Name. The name of the Corporation is **DISTRICTS MUTUAL INSURANCE.**

ARTICLE 2: Existence. The period of the Corporation's existence shall be perpetual.

ARTICLE 3: Purposes. The purposes of the Corporation are to engage in any lawful activity for which a municipal insurance mutual may be organized under Chapter 611, Wisconsin Statutes, including but not limited to providing liability insurance; workers compensation insurance; property insurance; and risk management services for its Members. In furtherance of the purposes and in the exercise of its corporate powers, the Corporation shall perform on behalf of its Members only those activities, that constitute the exercise of essential governmental functions of the Member technical college districts and accruing to such Member technical college districts, within the meaning of Section 115(1) of the Internal Revenue Code, of 1986, as amended.

ARTICLE 4: Powers. The Corporation shall have the same powers as a natural person to do all things necessary or convenient to carry out its business and affairs, including all powers afforded corporation by the laws of the State of Wisconsin.

ARTICLE 5: Members: Policyholders: Assessment.

A. Each technical college district is a Member of the Corporation only during the effective term of any policy of insurance issued by the Corporation and while in good standing as set forth in the by-laws.

B. The Corporation shall have one class of Members for purposes of voting and rights and obligations of membership set forth in these Articles of Incorporation and the by-laws.

C. The Members and the former Members of the Corporation shall be assessable without limitation upon resolution of the Board of Directors and approval of the Members by the affirmative vote of not less than $\frac{3}{4}$ of the Members of the Corporation. The resolution of the Board of Directors and the approval of the Members shall be called for only at a meeting convened specifically for that purpose. Liability of the Members and former Members for any assessment shall be several and not joint.

D. Every Wisconsin technical college district established by Chapter 38, Wisconsin Statutes is eligible to become a policyholder and Member of this Corporation. Every Member of this Corporation must be a technical college district established by Chapter 38, Wisconsin Statutes and: (1) a "political subdivision" (as defined in Section 1.103-1(b) of the Treasury Regulations) of the State of

Wisconsin, (2) an organization constituting an integral part of a “political subdivision” of the State of Wisconsin, or (3) an entity whose income is excluded from gross income under Section 115 of the Internal Revenue Code.

ARTICLE 6: Directors.

A. The corporation shall have five (5) initial directors. The number and qualifications of directors thereafter shall be as provided in the by-laws of the Corporation.

B. The names, addresses and initial terms of the initial directors are:

Doug Olson
Chippewa Valley Technical College
620 West Clairemont Avenue
Eau Claire, WI 54701
Initial Term ending 2005

Michael Lanser
Lakeshore Technical College
290NorthAvenue
Cleveland, WI 53015-1414
Initial Term ending 2006

Stan Hollmann
Southwest Wisconsin Technical College
1800 Bronson Boulevard
Fennimore, WI 53809-9989
Initial Term ending 2007

James F. Blumreich
Northeast Wisconsin Technical College
P.O. Box 19042
Green Bay, WI 54307-9042
Initial Term ending 2008

Kevin C. Myren
Madison Area Technical College
Madison, WI 54704
Initial Term ending 2009

C. The Corporation's by-laws shall otherwise govern the number, election, removal and other terms relating to the Corporation's directors.

D. The Board of Directors shall manage the affairs of the Corporation.

ARTICLE 7: Dividends and Other Distributions. The Board of Directors from time to time in its sound discretion may declare, and the Corporation may pay or issue, dividends or other distributions to its Members in the manner and upon terms and conditions as the Board of Directors may determine and as provided by law. No former Member shall have any right or be entitled to receive any dividend or other distribution declared after their membership has terminated.

ARTICLE 8: Limitation on Use of Funds. All income and revenue of the Corporation shall accrue to the Corporation for the benefit of its Members or former Members. No part of the Corporation's net earnings shall inure to the benefit of any private person or entity, except for reasonable compensation for services rendered, and incidental benefits to employees of the Corporation or employees of Members performing services for the Corporation.

ARTICLE 9: Principal Office. The mailing address and county of the principal office of the Corporation is:

5555 West Highland Road
Mequon, Wisconsin 53092-1199
Ozaukee County

ARTICLE 10: Initial Registered Office and Agent. The address of the Corporation's initial registered office and the name of its initial registered agent at that office are:

Robert W. Mulchay
Michael Best & Friedrich, LLP
100 East Wisconsin Avenue, Suite 3300
Milwaukee, WI 53202-4108

ARTICLE 11: Name and Address of Incorporator. The name and address of the Incorporator is:

Wisconsin Technical College Insurance Trust
c/o Lakeshore Technical College
1290 North Avenue
Cleveland, Wisconsin 53015

ARTICLE 12: Dissolution. Upon dissolution of the Corporation, and after the satisfaction of all obligations of the Corporation, including any obligation to holders of contribution notes or similar obligations, any remaining assets shall be distributed to Members upon such basis and terms as the Board of Directors may determine.

ARTICLE 13: Amendment. The Corporation's Members as provided by law may amend these Articles. Except as otherwise required by law or as set forth in the Corporation's by-laws, the power to amend, restate or repeal the by-laws of the Corporation shall be vested solely in the Corporation's Board of Directors.

These Articles of Incorporation of DISTRICTS MUTUAL INSURANCE have been executed on the 3rd day of May 2004.

Wisconsin Technical College Insurance Trust

By: _____
David R. Hildebrand, Trust Administrator

STATE OF WISCONSIN)
)ss.
COUNTY OF WASHBURN)

Personally came before me the above named David R. Hildebrand, to me known to be the person who executed the foregoing instrument and acknowledged the same this 3rd day of May 2004.

Notary Public

This instrument drafted by:
Richard M. Seligman
Michael Best & Friedrich, LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, Wisconsin 53202
(414) 277-3442