

Nodak Mutual Insurance Company Conversion to Stock Form

**Annex VII
To
Conversion Application Filed with the North
Dakota Insurance Department:**

Holding Companies Articles and Bylaws

See Attached

**ARTICLES OF INCORPORATION
OF
NODAK MUTUAL GROUP, INC.**

FIRST: The name of the Corporation is Nodak Mutual Group, Inc.

SECOND: The location and mailing address of the Corporation's principal executive office and registered office is 1101 1st Avenue, Fargo, North Dakota 58102. The registered agent at this address is Michael J. Alexander.

THIRD: The purpose of the Corporation is, and it shall have unlimited power to engage in and to do, any lawful act concerning any or all lawful business for which corporations may be incorporated under provisions of the North Dakota Business Corporation Act, as amended (the "NDBCA"), Section 10-19.1 of the North Dakota Century Code.

FOURTH: The term of the Corporation's existence is perpetual.

FIFTH: The Corporation is a non-stock corporation organized under the NDBCA, conducting business for the benefit of its members and desiring to incorporate for-profit. As a corporation organized on a non-stock basis, the Corporation is not authorized to create or issue shares.

SIXTH: Membership Interests.

(a) Each person who is a policyholder of Nodak Insurance Company ("Nodak"), as provided by Nodak's records, shall automatically become a member of the Corporation (a "Member") and shall remain a Member so long as at least one policy which leads to such membership (a "Related Policy") remains in force. Each Member shall be entitled to one vote at each meeting of the Members, regardless of the number of such policies or the amount of insurance such Member has with Nodak. With respect to the election of directors of the Corporation, each Member is entitled to one vote for each director to be elected; provided that cumulative voting for the election of directors is not permitted.

(b) Membership shall automatically follow and shall not be severable from the Related Policy. Membership shall automatically terminate when a Member no longer owns an in-force Related Policy.

(c) Membership or any rights appertaining thereto or derived therefrom, shall not be conveyable, assignable, salable (including judicial sale), devisable, inheritable, transferrable, or alienable in any manner whatsoever, including transfer by operation of law.

(d) Membership or any rights appertaining thereto or derived therefrom, shall not be separate from the Related Policy, be subject to attachment, execution or levy, or be subject to a lien, mortgage, security interest or in any manner be used as collateral or otherwise be hypothecated.

(e) At an annual or special meeting of the Members and as provided by law, Members on the record date of such meeting shall have the right to vote as provided by Nodak's records, these Articles of Incorporation and the Bylaws of the Corporation on the election of directors and on any proposition submitted to the Members for their approval.

(f) The Corporation shall not pay dividends or make other distributions or payments of income or profits to the Members, except as directed or approved by the Insurance Commissioner of the State of North Dakota.

SEVENTH: Any Member may submit the name of any person for consideration for nomination for election as a director of the Corporation. Each submission of a person for consideration for nomination for election as a director must be sent or delivered to the Secretary of the Corporation at the Corporation's principal executive office and received by the Secretary no later than 180 days prior to the date of the annual meeting. The power to nominate directors to the board of directors of the Corporation shall rest solely with the board of directors, and the Members of this Corporation shall be entitled to vote in the election of directors. The management, control and government of the Corporation shall be vested in a board of directors consisting of not less than three (3) nor more than fifteen (15) members in number, as fixed by the board of directors of the Corporation from time to time. The directors of the Corporation shall be divided into three classes: Class I, Class II and Class III. Each Class shall be as nearly equal in number as possible. If the number of Class I, Class II or Class III directors is fixed for any term of office, it shall not be increased during that term, except by a majority vote of the board of directors. The term of office of the initial Class I directors shall expire at the annual election of directors by the Members of the Corporation in 2017; the term of office of the initial Class II directors shall expire at the annual election of directors by the Members of the Corporation in 2018; and the term of office of the initial Class III directors shall expire at the annual election of directors by the Members of the Corporation in 2019. After the initial term of each Class, the term of office of each Class shall be three (3) years, so that the term of office of one class of directors shall expire each year when their respective successors have been duly elected by the Members and qualified. At each annual election by the Members of the Corporation, the directors chosen to succeed those whose terms then expire shall be identified as being of the same class as the directors they succeed. If, for any reason, a vacancy occurs on the board of directors of the Corporation, a majority of the remaining directors shall have the exclusive power to fill the vacancy by electing a director to hold office for the unexpired term in respect of which the vacancy occurred.

EIGHTH: Except as required by applicable law, the authority to make, amend, alter, change or repeal the Bylaws of the Corporation is hereby expressly and solely granted to and vested in the board of directors of the Corporation, subject always to the power of the Members to change such action by the affirmative vote of the Members of the Corporation entitled to cast at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the votes which all Members are entitled to cast, except that provisions of the Bylaws of the Corporation relating to limitations on directors' liabilities and indemnification of directors, officers and others may not be amended to increase the exposure to liability for directors or to decrease the indemnification of directors, officers and others except by the affirmative vote of sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the entire board of directors or by the affirmative vote of the Members of the Corporation entitled to cast at least eighty percent (80%) of the votes which all Members are entitled to cast.

NINTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in its Articles of Incorporation in the manner now or hereafter prescribed by statute and all rights conferred upon Members and directors herein are hereby granted subject to this reservation; provided, however, that the provisions set forth in Articles SEVENTH through ELEVENTH, inclusive, of these Articles of Incorporation may not be repealed, altered or amended, in any respect whatsoever, unless such repeal, alteration or amendment is approved by either (a) the affirmative vote of Members of the Corporation entitled to cast at least eighty percent (80%) of the votes which all Members of the Corporation are then entitled to cast or (b) the affirmative vote of eighty percent (80%) of the members of the board of directors of the Corporation and the affirmative vote of the Members of the Corporation entitled to cast at least a majority of the votes which all Members of the Corporation are then entitled to cast.

TENTH: A special meeting of the Members of the Corporation may be called only by: (i) the Chief Executive Officer, (ii) the Chairperson of the Board, or (iii) the Board of Directors pursuant to a resolution adopted by a majority of the directors.

ELEVENTH: To the fullest extent permitted by North Dakota law, a director of this Corporation shall not be personally liable to the Corporation or its Members for monetary damages for breach of fiduciary duty as a director. Neither the amendment, modification nor repeal of this Article nor the adoption of any provision in these Articles of Incorporation inconsistent with this Article shall adversely affect any right or protection of a director of the Corporation with respect to any act or omission that occurred prior to the time of such amendment, modification, repeal or adoption.

TWELFTH: The Board of Directors of the Corporation may take any action that could be taken at a meeting of the board of directors by written consent, provided that such consent is executed by the number of directors required to approve such action at a meeting of the board of directors.

THIRTEENTH: The fiscal year of the Corporation shall begin on January 1 and end on December 31 of each year.

FOURTEENTH: The name and address of the incorporator is Michael J. Alexander, 1101 1st Avenue North, Fargo, North Dakota 58102.

IN TESTIMONY WHEREOF, the Incorporator has signed these Articles of Incorporation this ____ day of _____, 2016.

Michael J. Alexander, Incorporator

BYLAWS
OF
NODAK MUTUAL GROUP, INC.

ARTICLE I

MEMBERS

Section 1.01. Annual Meeting -

(a) General. The annual meeting of members shall be held on the fourth (4th) Tuesday in May of each year or on such other date as may be fixed from time to time by the Board of Directors, not later than six (6) months after the end of the Corporation's fiscal year. At each annual meeting of members, directors shall be elected, reports of the affairs of the Corporation shall be considered, and such other business as may properly come before the meeting may be transacted.

(b) Conduct of Meetings. At every meeting of the members, the Chairperson of the Board or, in his absence, the Vice Chairperson of the Board shall act as chairperson of the meeting. The chairperson of the meeting shall have any and all powers and authority necessary in the chairperson's sole discretion to conduct an orderly meeting and preserve order and to determine any and all procedural matters, including imposing reasonable limits on the amount of time at the meeting taken up in remarks by any one member or group of members. In addition, until the business to be completed at a meeting of the members is completed, the chairperson of a meeting of the members is expressly authorized to temporarily adjourn and postpone the meeting from time to time. The Secretary of the Corporation or in his or her absence, an assistant secretary, shall act as Secretary of all meetings of the members. In the absence at such meeting of the Secretary or assistant secretary, the chairperson of the meeting may appoint another person to act as Secretary of the meeting.

Section 1.02. Special Meetings - Special meetings of the members may be called only in accordance with the articles of incorporation of the Corporation.

Section 1.03. Place of Meeting - All meetings of the members shall be held at such place, within or outside the State of North Dakota, as may be designated by the Board of Directors in the notice of meeting. In the absence of such designation, members' meetings shall be held at the registered office of the Corporation.

Section 1.04. Notice of Meetings of Members - Notice of Annual or Special Meetings of the members shall be given as prescribed by the North Dakota Business Corporation Act ("NDBCA").

Section 1.05. Contents - The notice of the meeting shall specify the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted. If the purpose, or one of the purposes, of the meeting is to consider the adoption, amendment or repeal of the bylaws, there shall be included in, enclosed with, or accompanied

by, the notice a copy of the proposed amendment or a summary of the changes to be made by the amendment.

Section 1.06. Quorum - A meeting of the members of the Corporation duly called shall not be organized for the transaction of business unless a quorum is present. A quorum at any annual or special meeting of members shall consist of twenty-five (25) members present, either in person or by proxy. The members present at a duly organized meeting can continue to do business until adjournment notwithstanding the withdrawal of enough members to be less than a quorum

Section 1.07. Action by Members - Whenever any corporate action is to be taken by vote of the members, it shall be authorized upon receiving the affirmative vote of a majority of the votes cast by all members entitled to vote thereon and, if any members are entitled to vote thereon as a class, upon receiving the affirmative vote of the majority of the votes cast by the members entitled to vote as a class on the matter, except when a different vote is required by law, or the articles of incorporation, or these bylaws.

Section 1.08. Adjournments - If a meeting of the members duly called cannot be organized because a quorum has not attended, the chairperson of the meeting or a majority of members present in person or by proxy and entitled to vote may adjourn the meeting to such time and place as they may determine.

When a meeting of the members is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at the adjourned meeting other than by announcement at the meeting at which the adjournment is taken, unless the Board of Directors fixes a new record date for the adjourned meeting or unless notice of the business to be transacted was required by the NDBCA, to be stated in the original notice of the meeting and such notice had not been previously provided.

Those members entitled to vote who attend a meeting called for the election of directors that has previously adjourned for lack of a quorum, although less than a quorum as fixed in this section, shall nevertheless constitute a quorum for the purpose of electing directors.

Section 1.09. Voting Rights of Members - All persons, corporations (public, private, governmental or nonprofit), estates, associations, partnerships or others, insured by Nodak Insurance Company, except the holder of a policy or contract of reinsurance, shall be members of this Corporation during the continuance in force of their respective policies and no longer. Regardless of the number of such policies or such amount of insurance, each member shall be entitled to one vote at each members' meeting, either in person or by proxy, if the proxy is dated and properly signed, and deposited with the Secretary prior to any meeting for which it is to be voted, but a corporation, estate, association or partnership shall vote as one member only. Any officer, fiduciary, partner or local representative of any such corporation, estate, association or partnership may be recognized as acting for or in its behalf in casting its vote as such member.

Section 1.10. Voting and Other Action by Proxy -

(a) General. Every member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for that member by proxy. The presence of, or vote or other action at a meeting of members, or the expression of consent or dissent to corporate action, by a proxy of a member shall constitute the presence of, or vote or action by, or written consent or dissent of the member.

(b) Minimum Requirements. Every proxy shall be executed by the member or by the duly authorized attorney-in-fact of the member and filed with the Secretary of the Corporation. A telegram, telex, cablegram, datagram, email or similar transmission from a member or attorney-in-fact, or a photographic, facsimile or similar reproduction of a writing executed by a member or attorney-in-fact:

(1) may be treated as properly executed; and

(2) shall be so treated if it sets forth a confidential and unique identification number or other mark furnished by the Corporation to the member for the purposes of a particular meeting or transaction.

(c) Revocation. A proxy, unless coupled with an interest, shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until written notice thereof has been given to the Secretary of the Corporation. An unrevoked proxy shall not be valid after three (3) years from the date of its execution unless a longer time is expressly provided therein. A proxy shall not be revoked by the death or incapacity of the maker unless, before the vote is counted or the authority is exercised, written notice of the death or incapacity is given to the Secretary of the Corporation.

(d) Expenses. The Corporation shall pay the reasonable expenses of solicitation of votes, proxies or consents of members by or on behalf of the Board of Directors for its nominees for election to the Board, including solicitation by professional proxy solicitors and otherwise.

Section 1.11. Determination of Record Date –

(a) Fixing Record Date. The Board of Directors may fix a time prior to the date of any meeting of members as a record date for the determination of the members entitled to notice of, or to vote at, the meeting, which time, except in the case of an adjourned meeting, shall be not more than fifty (50) days prior to the date of the meeting of members. Only members of record on the date fixed shall be so entitled notwithstanding any transfer of shares on the books of the Corporation after any record date fixed as provided in this section. The Board of Directors may similarly fix a record date for the determination of members of record for any other purpose. When a determination of members of record has been made as provided in this Section for purposes of a meeting, the determination shall apply to any adjournment thereof unless the Board fixes a new record date for the adjourned meeting.

(b) Determination When a Record Date is Not Fixed. If a record date is not fixed:

(1) The record date for determining members entitled to notice of or to vote at a meeting of members shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held.

(2) The record date for determining members entitled to express consent or dissent to corporate action in writing without a meeting, when prior action by the Board of Directors is not necessary, to call a special meeting of the members, or to propose an amendment of the articles, shall be the close of business on the day on which the first written consent or dissent, request for a special meeting or petition proposing an amendment of the articles is filed with the secretary of the Corporation.

(3) The record date for determining members for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 1.12. Voting List - The officer or agent having charge of the records for memberships of the Corporation shall make a complete list of the members entitled to vote at any meeting of members, arranged in alphabetical order, with the address of each member. The list shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting for the purposes thereof.

Failure to comply with the requirements of this Section shall not affect the validity of any action taken at a meeting prior to a demand at the meeting by any member entitled to vote thereat to examine the list. The records of the Corporation regarding the policyholders of the Company shall be prima facie evidence as to who are the members entitled to examine the list or to vote at any meeting of members.

Section 1.13. Judges of Election - In advance of any meeting of members of the Corporation, the Board of Directors may appoint judges of election, who need not be members, to act at the meeting or any adjournment thereof. If judges of election are not so appointed, the presiding officer of the meeting may, and on the request of any member shall, appoint judges of election at the meeting. The number of judges shall be one or three. No person who is a candidate for office to be filled at the meeting shall act as a judge of election.

In the event any person appointed as a judge fails to appear or fails or refuses to act, the vacancy may be filled by appointment made by the Board of Directors in advance of the convening of the meeting or at the meeting by the presiding officer thereof.

The judges of election shall determine (i) the number of memberships outstanding and the voting power of each, (ii) the members represented at the meeting, (iii) the existence of a quorum, and (iv) the authenticity, validity and effect of proxies. The judges of election shall also receive votes or ballots, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes, determine the result and do such acts as may

be proper to conduct the election or vote with fairness to all members. The judge or judges of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) judges of election, the decision, act or certificate of a majority shall be effective in all respects as the decision, act or certificate of all.

On request of the presiding officer of the meeting, or of any member, the judge or judges shall make a report in writing of any challenge or question or matter determined by them, and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated therein.

ARTICLE II BOARD OF DIRECTORS

Section 2.01. General - Unless otherwise provided by statute, all powers vested by law in the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors of the Corporation.

Section 2.02. Number, Qualifications, Selection and Term of Office –

(a) The Board of Directors of the Corporation shall consist of at least three (3) and not more than fifteen (15) directors, the exact number to be set from time to time by resolution of the Board of Directors. The directors of the Corporation shall be divided into three classes as described in the Corporation's articles of incorporation. Each director shall be a natural person of full age, and at least a majority of the directors shall be persons who are: (i) not employees of the Corporation or of any entity controlling, controlled by or under common control with the Corporation, (ii) not beneficial owners of a controlling interest in the voting stock of the Corporation or of any entity controlling, controlled by or under common control with the Corporation, and (iii) otherwise independent within the meaning of any applicable statute or any listing requirement of a stock exchange or over the counter market on which any security of NI Holdings, Inc. is admitted for trading. A director having the attributes set forth in (i), (ii) and (iii) shall hereinafter be deemed an Independent Director. Each director shall hold office until the expiration of the term for which he or she was selected and until a successor has been selected and qualified or until his or her earlier death, resignation or removal. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director.

(b) The North Dakota Farm Bureau shall designate individuals who shall be elected to the Board of Directors (the "Farm Bureau Designees"). The number of Farm Bureau Designees who shall be elected to the Board of Directors shall be the closest whole number equal to or less than one-third (1/3) of the number of directors set by the Board of Directors pursuant to the first sentence of Section 2.02. [For illustration purposes only, if the number of directors has been set by resolution at eight (8), then the number of Farm Bureau Designees shall be two (2).] In the event that any Farm Bureau Designee resigns, dies, or is removed as a director of the Corporation, the North Dakota Farm Bureau shall designate an individual to be elected by the Board of Directors to fill such vacancy.

Section 2.03. Nominations for Directors Any member may submit the name of any person for consideration for nomination for election as a director of the Corporation. Each submission of a person for consideration for nomination for election as a director must be sent or delivered to the Secretary of the Corporation at the Corporation's principal executive office and received by the Secretary no later 180 days prior to the date of the annual meeting. Nominations for the election of directors shall be made by the Board of Directors. Notice of nominations which are proposed by the Board of Directors shall be given by the Chairperson of the Board or any other appropriate officer.

Section 2.04. Election - Except as otherwise provided in these bylaws, directors of the Corporation shall be elected by the members. In elections for directors, voting need not be by ballot unless required by a vote of the members before the voting for election of directors begins. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected.

Section 2.05. Vacancies -

(a) Vacancies. Vacancies in the Board of Directors shall exist in the case of the happening of any of the following events: (i) the death or resignation of any director; (ii) if at any annual or special meeting of the members at which directors are to be elected, the members fail to elect the full authorized number of directors to be voted for at that meeting; (iii) an increase in the number of directors by resolution of the Board of Directors; (iv) the removal of a director by the affirmative vote of members of the Corporation in accordance with the articles of incorporation of the Corporation and the NDBCA; or (v) the removal of a director by the Board of Directors or a court of competent jurisdiction in accordance with these bylaws or otherwise in accordance with law.

(b) Filling Vacancies. Vacancies in the Board of Directors, including vacancies resulting from an increase in the number of directors, may be filled by a majority vote of the remaining members of the Board though less than a quorum, or by a sole remaining director, and each person so selected shall be a director to serve for the balance of the unexpired term and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal.

(c) Action by Resigned Directors. When one or more directors resign from the Board effective at a future date, the directors then in office, including those who have so resigned, shall have power by the applicable vote to fill the vacancies, the vote thereon to take effect when the resignations become effective.

Section 2.06. Removal and Resignation -

(a) Removal by Members. A director may be removed by members only in accordance with the articles of incorporation of the Corporation.

(b) Removal by Action of the Directors. The Board of Directors may declare vacant the office of a director if that director: (i) has been judicially declared of unsound mind; (ii) has been convicted of an offense punishable by imprisonment for a term of more than one (1)

year; (iii) has failed to meet expectations with respect to attendance at meetings of the Board of Directors, (iv) if within sixty (60) days after notice of his or her election, the director does not accept such office either in writing or by attending a meeting of the Board of Directors and fulfilling such other requirements of qualification as these bylaws or the articles of incorporation may provide; or (iv) is ineligible for any reason to serve as a director of the Corporation's principal insurance subsidiaries.

(c) Resignation. Any director may resign at any time from his or her position as a director upon written notice to the Corporation. The resignation shall be effective upon its receipt by the Corporation or at such later time as may be specified in the notice of resignation.

Section 2.07. Regular Meetings - The Board of Directors of the Corporation shall hold an annual meeting for the election of officers and the consideration of other proper business either as soon as practical after, and at the same place as, the annual meeting of members of the Corporation, or at such other day, hour and place as may be fixed by the Board. The Board of Directors may designate by resolution the day, hour and place, within or outside the State of North Dakota, of other regular meetings.

Section 2.08. Special Meetings - Special meetings of the Board of Directors may be called by the Chairperson of the Board, the Vice Chairperson of the Board, the President and Chief Executive Officer, or a majority of the directors then in office. The person or persons calling the special meeting may fix the day, hour and place, within or outside the State of North Dakota, of the meeting.

Section 2.09. Notice of Meetings -

(a) General. No notice of any annual or regular meeting of the Board of Directors of the Corporation need be given. Written notice of each special meeting of the Board of Directors, specifying the place, day and hour of the meeting, shall be given to each director at least twenty-four (24) hours before the time set for the meeting. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board need be specified in the notice of the meeting.

(b) Validation of Meeting Defectively Called or Noticed. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, are as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each of the directors not present signs a waiver of notice. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 2.10. Quorum and Action by Directors - A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business. The acts of a majority of directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors, except where a different vote is required by law, the articles of incorporation or these bylaws. Every director shall be entitled to one vote.

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if, prior or subsequent to the action, a consent or consents thereto by all of the directors in office is filed with the Secretary of the Corporation.

Section 2.11. Presumption of Assent - A director of the Corporation who is present at a meeting of the Board of Directors, or of a committee of the Board, at which action on any corporate matter is taken on which the director is generally competent to act, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless that director files his or her written dissent to the action with the Secretary of the meeting before its adjournment or submits the dissent in writing to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of the action. Nothing in this Section shall bar a director from asserting that the minutes of a meeting incorrectly omitted that director's dissent if, promptly upon receipt of a copy of those minutes, the director notified the Secretary, in writing, of the asserted omission or inaccuracy.

Section 2.12. Presiding Officer - All meetings of the Board of Directors of the Corporation shall be called to order and presided over by the Chairperson of the Board of Directors, or in the Chairperson's absence, by the Vice Chairperson of the Board. The Secretary of the Corporation shall act as Secretary of the Board of Directors unless otherwise specified by the Board of Directors. In case the Secretary shall be absent from any meeting, the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.13. Committees - The Board of Directors may, by resolution adopted by a majority of the directors in office, establish one or more committees. Each committee is to consist of at least two (2) directors of the Corporation and not less than two-thirds of the members of each committee shall be Independent Directors, unless a greater number or percentage of Independent Directors is required by applicable law or the listing requirements of any stock exchange or over the counter market on which any security of NI Holdings, Inc. is admitted for trading. The Board may designate one or more directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee or for purposes of any written action of the committee.

A committee, to the extent provided in the resolution of the Board of Directors creating it, shall have and may exercise all of the powers and authority of the Board of Directors except that a committee shall not have any power or authority regarding: (i) the submission to members of any action requiring the approval of members under the NDBCA, (ii) the creation or filling of vacancies in the Board of Directors, (iii) the adoption, amendment or repeal of these bylaws, or (iv) any action on matters committed by the bylaws or resolution of the Board of Directors to another committee of the Board. Each committee of the Board shall serve at the pleasure of the Board.

Section 2.14. Nominating and Corporate Governance Committee - There shall be a standing committee of the Board of Directors to be known as the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall be comprised of at least three (3) directors each of whom shall be Independent Directors. The Nominating and Corporate Governance Committee shall nominate candidates for election as

director and shall make recommendations to the Board of Directors with respect to the qualifications and nomination of directors, Chief Executive Officer succession, the Corporation's corporate governance policies, and perform other duties as assigned by the Board or as provided in the Nominating and Corporate Governance Committee's charter.

Section 2.15. Attendance - Failure of any director to meet expectations with respect to attendance at meetings of the Board of Directors shall allow the Board to exercise its rights under Section 2.06(b) hereof. Also, any member of any Board committee who fails to meet expectations with respect to attendance at committee meetings of which he or she is a member held during an entire calendar year shall allow the Board to terminate his or her committee membership and such membership as of the end of that calendar year unless prior to that time the Board of Directors excuses the absence.

ARTICLE III

OFFICERS

Section 3.01. Officers and Qualifications - The Corporation shall have a Chairperson of the Board, a Vice Chairperson of the Board, a President and Chief Executive Officer, a Chief Financial Officer, a Secretary and a Treasurer, each of whom shall be elected or appointed by the Board of Directors. The Board may also elect one or more vice presidents and such other officers and assistant officers as the Board deems necessary or advisable. All officers shall be natural persons of full age. Except for the Chairperson and the Vice Chairperson any two or more offices may be held by the same person. It shall not be necessary for officers to be directors of the Corporation, nor shall there be any requirement or implication that a director who serves as Chairperson or Vice Chairperson be or is an employee of the Corporation. Officers of the Corporation shall have such authority and perform such duties in the management of the Corporation as is provided by or under these bylaws, or in the absence of controlling provisions in these bylaws as is determined by or under resolutions or orders of the Board of Directors.

Section 3.02. Election - Term and Vacancies - The officers and assistant officers of the Corporation shall be elected by the Board of Directors at the annual meeting of the Board or from time to time as the Board shall determine, and each officer shall hold until his or her successor has been duly elected and qualified or until that officer's earlier death, resignation or removal. A vacancy in any office occurring in any manner may be filled by the Board of Directors and, if the office is one for which these bylaws prescribe a term, shall be filled for the unexpired portion of the term.

Section 3.03. Subordinate Officers, Committees and Agents - The Board of Directors may from time to time elect such other officers and appoint such committees, employees or other agents as the business of the Corporation may require, including one or more assistant secretaries, and one or more assistant treasurers, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board of Directors may from time to time determine. The Board of Directors may delegate to any officer or committee the power to elect subordinate officers and to retain or appoint employees or other agents, or committees thereof and to prescribe the authority and duties of such subordinate officers, committees, employees or other agents.

Section 3.04. Removal; Resignation and Bonding -

(a) Removal. Any officer or agent of the Corporation may be removed by the Board of Directors with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

(b) Resignation. Any officer may resign at any time upon written notice to the Corporation. The resignation shall be effective upon its receipt by the Corporation or at such later time as may be specified in the notice of resignation.

(c) Bonding. The Corporation may secure the fidelity of any or all of its officers by bond or otherwise.

Section 3.05. Chairperson of the Board - The Chairperson of the Board of Directors of the Corporation shall preside at all meetings of the members and of the directors at which he or she is present, and shall have such authority and perform such other duties as the Board of Directors may from time to time designate.

Section 3.06. Vice Chairperson of the Board – In the absence of the Chairperson of the Board, the Vice Chairperson of the Board shall preside at all meetings of the members and of the directors at which he or she is present, and shall have such authority and perform such other duties as the Board of Directors may from time to time designate.

Section 3.07. President and Chief Executive Officer –

(a) Subject to the oversight of the Board of Directors of the Corporation and, within the scope of their authority, any committees thereof, the President and Chief Executive Officer shall (a) have general and active management of all the business, property and affairs of the Corporation, (b) see that all orders and resolutions of the Board of Directors and its committees are carried into effect, (c) appoint and remove subordinate officers and agents, other than those appointed or elected by the Board of Directors, as the business of the Corporation may require, (d) act as the duly authorized representative of the Board in all matters, except where the Board has formally designated some other person or group to act, (e) sign, execute and acknowledge, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments authorized by the Board of Directors, except in cases where signing and execution thereof shall be delegated by the Board of Directors, or by these bylaws, to some other officer or agent of the Corporation, and (f) in general perform all the usual duties incident to the office of President and Chief Executive Officer and such other duties as may be assigned to such person by the Board of Directors. The President and Chief Executive Officer shall be a member of the boards of directors of NI Holdings, Inc. and Nodak Insurance Company, unless this qualification is waived by a majority of the Board of Directors.

(a) The President and Chief Executive Officer shall make a report on the affairs of the corporation at each meeting of the shareholders and directors. The President and Chief Executive Officer shall execute in the name of the corporation all deeds, bonds, mortgages, financing statements, share certificates, written contracts, and other documents, and, when

necessary or proper, affix thereto the corporate seal, except in cases where the execution or sealing thereof shall be expressly delegated by the directors, the President and Chief Executive Officer or these bylaws to some other person. The President and Chief Executive officer shall be ex-officio a member of all committees and shall perform such other duties as are usually incident to the office of President and Chief Executive Officer or may otherwise be required by the board of directors.

(b) In the case of the death, disability or other incapacity of the President and Chief Executive Officer, the Chairperson or Vice Chairperson shall promptly call a meeting of the board of directors for the purpose of electing a new President and Chief Executive Officer or appointing someone to perform the duties of the President and Chief Executive Officer.

Section 3.08. Vice Presidents - Each vice president, if any, shall perform such duties as may be assigned to him or her by the Board of Directors or the President and Chief Executive Officer.

Section 3.09. Secretary - The Secretary shall (a) keep or cause to be kept the minutes of all meetings of the members, the Board of Directors, and any committees of the Board of Directors in one or more books kept for that purpose, (b) have custody of the corporate seal and the corporate records, stock books and stock ledgers of the Corporation, (c) keep or cause to be kept a register of the address of each member, which address has been furnished to the Secretary by the member, (d) see that all notices are duly given in accordance with law, the articles of incorporation, and these bylaws, and (e) in general perform all the usual duties as may be assigned to him or her by the Board of Directors or the Chief Executive Officer.

Section 3.10. Assistant Secretary - The Assistant Secretary, if any, or Assistant Secretaries if more than one, shall perform the duties of the Secretary in his or her absence and shall perform other duties as the Board of Directors, the President and Chief Executive Officer or the Secretary may from time to time designate.

Section 3.11. Chief Financial Officer - The Chief Financial Officer shall have general supervision of the fiscal affairs of the Corporation. The Chief Financial Officer shall, with the assistance of the President and Chief Executive Officer and managerial staff of the Corporation: (a) see that a full and accurate accounting of all financial transactions is made; (b) invest and reinvest the capital funds of the Corporation in such manner as may be directed by the Board of Directors or a committee of the Board of Directors, unless that function shall have been delegated to a nominee or agent; (c) deposit or cause to be deposited in the name and to the credit of the Corporation, in such depositories as the Board of Directors shall designate, all monies and other valuable effects of the Corporation not otherwise employed; (d) prepare any financial reports that may be requested from time to time by the Board of Directors; (e) cooperate in the conduct of any annual audit of the Corporation's financial records by certified public accountants duly appointed by the Board of Directors; and (f) in general perform all the usual duties incident to the office of treasurer and such other duties as may be assigned to him or her by the Board of Directors or the President and Chief Executive Officer.

Section 3.12. Officer Salaries - No officer shall be prevented from receiving such salary or other compensation by reason of the fact that the officer is also a director of the Corporation.

ARTICLE IV

NOTICE, WAIVERS, AND MEETINGS

Section 4.01. Manner of Giving Notice - Whenever written notice is required to be given to any person under the provisions of the NDBCA, or by the articles of incorporation or these bylaws, it may be given to the person either personally or by sending a copy of it by first class or express mail, postage prepaid; or by telegram (with messenger service specified), by courier service, charges prepaid; or by facsimile transmission, to the member's address (or to member's facsimile number) appearing on the books of the Corporation; or by electronic mail if a return receipt or other acknowledgment from the recipient can be obtained; or, in the case of directors, supplied by the director to the Corporation for the purpose of notice. Notice sent by mail, by telegraph or by courier service shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office or courier service for delivery to that person, or in the case of fax, when received except that, in the case of directors, notice sent by regular mail shall be deemed to have been given forty-eight (48) hours after being deposited in the United States mail or, in the case of facsimile, when dispatched.

A notice of meeting shall specify the place, day and hour of the meeting and any other information required by any other provision of the NDBCA, the articles of incorporation or these bylaws.

Section 4.02. Waiver of Notice - Whenever any written notice is required to be given by statute or the articles of incorporation or these bylaws, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated in it, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of the meeting, except where the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 4.03. Modification of Proposal - Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given under the provisions of the NDBCA, or the articles of incorporation or these bylaws, the meeting considering the resolution may without further notice adopt it with such clarifying or other amendments as do not enlarge its original purpose.

Section 4.04. Use of Conference Telephone and Similar Equipment – With the prior approval of the Chairperson of the Board, one or more persons may participate in a meeting of the directors, or of any committee of directors, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting.

ARTICLE V

INDEMNIFICATION AND INSURANCE

Section 5.01. Indemnification -

(a) Indemnification of Directors and Officers. The Corporation 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 (including, without limitation, actions by or in the right of the Corporation), by reason of the fact that such person is or was a director or officer of the Corporation, or such director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such action, suit, or proceeding to the fullest extent permitted by North Dakota law.

(b) Indemnification of Others. The Corporation may, at its discretion, 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 (including, without limitation, actions by or in the right of the Corporation), by reason of the fact that such person is or was an employee or agent of the Corporation who is not entitled to rights under Section 5.01(a) hereof, or such person is or was serving at the request of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such action, suit, or proceeding to the fullest extent permitted by North Dakota law.

(c) Advancing Expenses. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding, under Section 5.01(a) of this Article V shall be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount if it shall be ultimately determined that he is not entitled to be indemnified by the Corporation as authorized in this Article V.

(d) Rights Not Exclusive. The indemnification and advancement of expenses provided by this Article V shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of members or disinterested directors, or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding 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 person.

(e) Insurance; Other Security. The Corporation may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, may create a fund of any nature (which may, but need not be, under the control of a trustee) for the benefit of any person, and may otherwise secure in any manner its obligations with respect to

indemnification and advancement of expenses, whether arising under this Article V or otherwise, to or for the benefit of any person, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article V.

Section 5.02. Contract Rights; Amendment or Repeal - All rights under this Article V shall be deemed a contract between the Corporation and the indemnified representative pursuant to which the Corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

Section 5.03. Reliance on Provisions - Each person who shall act as an indemnified representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article V.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Registered Office - The registered office of the Corporation, required by law to be maintained in the State of North Dakota, may be, but need not be, the principal place of business of the Corporation. The address of the registered office may be changed from time to time by the Board of Directors of the Corporation.

Section 6.02. Other Offices - The Corporation may have additional offices and business in such places, within or outside the State of North Dakota, as the Board of Directors of the Corporation may designate or as the business of the Corporation may require.

Section 6.03. Corporate Seal - The Corporation may have a corporate seal, which shall have inscribed on it the name of the Corporation, the year of organization, and the words "Corporate Seal—North Dakota" or such inscription as the Board of Directors of the Corporation may determine. The seal may be used by causing it or a facsimile of it to be impressed or affixed, or in any manner reproduced.

Section 6.04. Fiscal Year - The fiscal year of the Corporation shall be the calendar year.

Section 6.05. Checks - All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the Board of Directors or, any person authorized by resolution of the Board of Directors may from time to time designate.

Section 6.06. Contracts - Except as otherwise provided in the NDBCA in the case of transactions that require action by the members, the Board of Directors may authorize any officer or agent to enter into any contract or to execute or deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

Any note, deed, mortgage, evidence of indebtedness, contract or other document, or any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by one or more officers or agents having actual or apparent authority to sign it, or by the President and Chief Executive Officer, the Chief Financial Officer, or any

vice president and the Secretary or any Assistant Secretary of the Corporation, shall be held to have been properly executed for and on behalf of the Corporation, without prejudice to the rights of the Corporation against any person who shall have executed the instrument in excess of his or her actual authority.

Section 6.07. Interested Directors or Officers; Quorum -

(a) General Rule. A contract or transaction between the Corporation and one or more of its directors or officers or between the Corporation and another corporation, partnership, joint venture, trust or other enterprise in which one or more of its directors or officers are directors or officers or have a financial or other interest, shall not be void or voidable solely for that reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors that authorizes the contract or transaction, or solely because his, her or their votes are counted for that purpose, if:

(1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors and the Board authorizes the contract or transaction by the affirmative votes of a majority of disinterested directors even though the disinterested directors are less than a quorum;

(2) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon and the contract or transaction is specifically approved in good faith by vote of those members; or

(3) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors or the members.

(b) Quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board at which a contract or transaction specified in subsection (a) is authorized.

Section 6.08. Corporate Records -

(a) Required Records. The Corporation shall keep complete and accurate books and records of account, minutes of the proceedings of the incorporators, members and directors and a share register giving the names and addresses of all members and the number and class of shares held by each. The share register shall be kept by the Corporation at its principal place of business wherever situated, at any actual business office of the Corporation, or at the office of its registrar or transfer agent. Any books, minutes or other records may be in written form or any other form capable of being converted into written form within a reasonable time.

(b) Right of Inspection by Members. Every member shall, upon written verified demand stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the share register, books and records of account, and records of the proceedings of the incorporators, members and directors and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of the person as a member. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power

of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the member. The demand shall be directed to the Corporation at its registered office in the State of North Dakota, at its principal place of business wherever situated, or in care of the person in charge of an actual business office of the Corporation.

Section 6.09. Amendment of Bylaws - These bylaws may be amended, altered, changed or repealed as provided in the articles of incorporation. Any change in the bylaws shall take effect when adopted unless otherwise provided in the resolution effecting the change.

Section 6.10. Severability - If any provision of these bylaws or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of these bylaws and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be deemed to be applicable to the greatest extent permitted by law.

**ARTICLES OF INCORPORATION
OF
NI HOLDINGS, INC.**

FIRST. The name of the Corporation is NI Holdings, Inc. (the “Corporation”)

SECOND. The location and mailing address of the Corporation’s principal executive office and registered office is 1101 1st Avenue North, Fargo, North Dakota 58102. The registered agent at this address is Michael J. Alexander.

THIRD. The Corporation is incorporated under the North Dakota Business Corporation Act, as amended (the “Business Corporation Act”). The purpose of the Corporation is, and it shall have unlimited power to engage in and to do, any lawful act concerning any or all lawful business for which corporations may be incorporated under provisions of the Business Corporation Act.

FOURTH. The term of the Corporation’s existence is perpetual.

FIFTH. The aggregate number of shares of capital stock that the Corporation shall have authority to issue is thirty million (30,000,000) shares, divided into two classes consisting of twenty-five million (25,000,000) shares of common stock, par value \$0.01 per share (“Common Stock”) and five million (5,000,000) shares of preferred stock, without par value (“Preferred Stock”). Any or all classes of shares of the Corporation, or any part thereof, may be represented by uncertificated shares to the extent determined by the Board of Directors, except that shares represented by a certificate that is issued and outstanding shall be represented thereby until the certificate is surrendered to the Corporation. Within a reasonable time after the issuance or transfer of uncertificated shares, the Corporation shall send to the registered owner of such shares a written notice required by Section 10-19.1-66 of the Business Corporation Act.

SIXTH. The Preferred Stock may be issued from time to time as a class without series or, if so determined by the board of directors of the Corporation, either in whole or in part, in one or more series. There is hereby expressly granted to and vested in the board of directors of the Corporation authority to fix and determine (except as fixed and determined herein), by resolution, the par value, voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, if any, and the qualifications, limitations or restrictions thereof, if any, including specifically, but not limited to, the dividend rights, conversion rights, redemption rights and liquidation preferences, if any, of any wholly unissued series of Preferred Stock (or the entire class of Preferred Stock if none of such shares have been issued), the number of shares constituting any such series and the terms and conditions of the issue thereof. Prior to the issuance of any shares of Preferred Stock, a statement setting forth a copy of each such resolution or resolutions and the number of shares of Preferred Stock of each such class or series shall be executed and filed in accordance with the Business Corporation Act. Unless otherwise provided in any such resolution or resolutions, the number of shares of capital stock of any such class or series so set forth in such resolution or resolutions may thereafter be increased or decreased (but not below the number of shares then outstanding), by a statement likewise executed and filed setting forth a statement that a specified increase or decrease therein had been authorized and directed by a resolution or resolutions likewise adopted by the board of directors of the Corporation. In case the number of such shares shall be decreased, the number of shares so specified in the statement shall resume the status they had prior to the adoption of the first resolution or resolutions.

SEVENTH. Each holder of record of Common Stock shall have the right to one vote for each share of Common Stock standing in such holder's name on the books of the Corporation. No shareholder shall be entitled to cumulate any votes for the election of directors.

EIGHTH. The management, control and government of the Corporation shall be vested in a board of directors consisting of not less than three (3) nor more than fifteen (15) members in number, as fixed by the board of directors of the Corporation from time to time. The directors of the Corporation shall be divided into three classes: Class I, Class II and Class III. Each Class shall be as nearly equal in number as possible. If the number of Class I, Class II or Class III directors is fixed for any term of office, it shall not be increased during that term, except by a majority vote of the board of directors. The term of office of the initial Class I directors shall expire at the annual election of directors by the shareholders of the Corporation in 2017; the term of office of the initial Class II directors shall expire at the annual election of directors by the shareholders of the Corporation in 2018; and the term of office of the initial Class III directors shall expire at the annual election of directors by the shareholders of the Corporation in 2019. After the initial term of each Class, the term of office of each Class shall be three (3) years, so that the term of office of one class of directors shall expire each year when their respective successors have been duly elected by the shareholders and qualified. At each annual election by the shareholders of the Corporation, the directors chosen to succeed those whose terms then expire shall be identified as being of the same class as the directors they succeed. If, for any reason, a vacancy occurs on the board of directors of the Corporation, a majority of the remaining directors shall have the exclusive power to fill the vacancy by electing a director to hold office for the unexpired term in respect of which the vacancy occurred. No director of the Corporation shall be removed from office, as a director, by the vote of shareholders, unless the votes of shareholders cast in favor of the resolution for the removal of such director constitute at least a majority of the votes which all shareholders would be entitled to cast at an annual election of directors.

NINTH. No holder of any class of capital stock of the Corporation shall have preemptive rights, and the Corporation shall have the right to issue and to sell to any person or persons any shares of its capital stock or any option, warrant or right to acquire capital stock, or any securities having conversion or option rights, without first offering such shares, rights or securities to any holder of any class of capital stock of the Corporation.

TENTH. Except as set forth below, the affirmative vote of shareholders entitled to cast at least eighty percent (80%) of the votes which all shareholders of the Corporation are entitled to cast, and if any class of shares is entitled to vote as a separate class, the affirmative vote of shareholders entitled to cast at least a majority of the votes entitled to be cast by the outstanding shares of such class (or such greater amount as required by the provisions of these Articles of Incorporation establishing such class) shall be required to approve any of the following:

- (a) any merger or consolidation of the Corporation with or into any other corporation;
- (b) any share exchange in which a corporation, person or entity acquires the issued or outstanding shares of capital stock of the Corporation pursuant to a vote of shareholders;
- (c) any sale, lease, exchange or other transfer of all, or substantially all, of the assets of the Corporation to any other corporation, person or entity; or
- (d) any transaction similar to, or having similar effect as, any of the foregoing transactions.

An affirmative vote as provided in the foregoing provisions shall be, to the extent permitted by law, in lieu of the vote of the shareholders otherwise required by law.

The board of directors of the Corporation shall have the power and duty to determine, for purposes of this Article TENTH, on the basis of information known to the board, if any transaction is similar to, or has an effect similar to, any of the transactions identified above in this Article TENTH. Any such determination shall be conclusive and binding for all purposes of this Article TENTH.

The Corporation may voluntarily completely liquidate and/or dissolve only in accordance with all applicable laws and only if the proposed liquidation and/or dissolution is approved by the affirmative vote of shareholders entitled to cast at least eighty percent (80%) of the votes which all shareholders are entitled to cast.

The provisions of this Article TENTH shall not apply to any transaction which is approved in advance by at least two-thirds of the members of the board of directors of the Corporation, at a meeting duly called and held.

ELEVENTH.

Subsection 1. Except for Nodak Mutual Group, Inc., no Person or Group Acting in Concert shall Acquire Voting Control of the Corporation, at any time, except in accordance with the provisions of this Article ELEVENTH. The terms “Acquire,” “Voting Control,” “Group Acting in Concert,” and “Person” as used in this Article ELEVENTH are defined in Subsection 4 hereof.

Subsection 2. If Voting Control of the Corporation is acquired in violation of this Article ELEVENTH, all shares with respect to which any Person or Group Acting in Concert has acquired Voting Control in excess of the number of shares the beneficial ownership of which is deemed under Subsection 4 hereof to confer Voting Control of the Corporation (as determined without regard to this Subsection 2) shall be considered from and after the date of acquisition by such Person or Group Acting in Concert to be “excess shares” for purposes of this Article ELEVENTH. All shares deemed to be excess shares shall thereafter no longer be entitled to vote on any matter or to take other shareholder action. If, after giving effect to the first two sentences of this Subsection 2, any Person or Group Acting in Concert still shall be deemed to be in Voting Control of the Corporation based on the number of votes then entitled to be cast (rather than the number of issued and outstanding shares of common stock of the Corporation), then shares held in excess of the number of shares deemed to confer Voting Control upon such Person or Group Acting in Concert also shall not be entitled to vote on any matter or take any other shareholder action, but this subsequent reduction in voting rights shall be effected only once. The provisions of this Subsection 2 deeming shares to be excess shares shall only apply for so long as such shares shall be beneficially owned by such Person or Group Acting in Concert who has acquired Voting Control. Notwithstanding the foregoing, shares held in excess of the number of shares the beneficial ownership of which would otherwise be deemed under Subsection 4 to confer Voting Control of the Corporation shall not be deemed to be excess shares if such shares are held by a Qualified Stock Plan.

Subsection 3. The provisions of this Article ELEVENTH shall be of no further force and effect after the consummation of a transaction in which another Person Acquires shares of capital stock of the Corporation entitled to cast eighty percent (80%) or more of the votes which all shareholders are entitled to cast (as determined without regard to the application of this Article ELEVENTH) and such transaction was approved in advance by two-thirds of the members of the board of directors of the Corporation.

Subsection 4. For purposes of this Article ELEVENTH:

(a) The term “Acquire” includes every type of acquisition, whether effected by purchase, exchange, operation of law or otherwise.

(b) “Voting Control” means the sole or shared power to vote or to direct the voting of, or to dispose or to direct the disposition of, more than ten percent (10%) of the issued and outstanding shares of common stock of the Corporation; provided that (i) the solicitation, holding and voting of proxies obtained by the board of directors of the Corporation pursuant to a solicitation under Regulation 14A of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) shall not constitute Voting Control, (ii) a Qualified Stock Plan that holds more than ten percent (10%) of the voting shares of the Corporation shall not be deemed to have Voting Control of the Corporation, and (iii) any trustee, member of any administrative committee or employee beneficiary of a Qualified Stock Plan shall not be deemed to have Voting Control of the Corporation either (A) as a result of their control of a Qualified Stock Plan, and/or their beneficial interest in voting shares held by a Qualified Stock Plan, or (B) as a result of the aggregation of both their beneficial interest in voting shares held by a Qualified Stock Plan and voting shares held by such trustee, administrative committee member or employee beneficiary independent of a Qualified Stock Plan.

(c) “Group Acting in Concert” includes Persons (i) knowingly participating in a joint activity or interdependent conscious parallel action toward a common goal whether or not pursuant to an express agreement; or (ii) seeking to combine or pool their voting or other interests in the voting shares for a common purpose, pursuant to any contract, understanding, relationship, agreement or other arrangement, whether written or otherwise, provided, that a “Group Acting in Concert” shall not include (i) the members of the board of directors of the Corporation solely as a result of their board membership, (ii) the members of the board of directors of the Corporation as a result of their solicitation, holding and voting of proxies obtained by them pursuant to a solicitation subject to rules and regulations promulgated under the Exchange Act or any successor statute or (iii) any member or all the members of the board of directors of the Corporation, and (iv) any Qualified Stock Plan and the trustees, administrative committee members and employee beneficiaries thereof.

(d) The term “Person” includes an individual, a Group Acting in Concert, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, an unincorporated organization, or any similar entity, syndicate or any other group formed for the purpose of acquiring, holding or disposing of the equity securities of the Corporation.

(e) The term “Qualified Stock Plan” means any defined benefit plan or defined contribution plan of the Corporation, such as an employee stock ownership plan, stock bonus plan, profit sharing plan or other plan that, with its related trust, meets the requirements to be “qualified” under Section 401 of the Internal Revenue Code of 1986, as amended.

Subsection 5. This Article ELEVENTH shall not apply to the purchase of securities of the Corporation by underwriters in connection with a public offering of such securities by the Corporation or by a holder of shares of capital stock of the Corporation with written consent of at least two-thirds of the members of the board of directors of the Corporation; provided, however, that purchasers of securities of the Corporation from any underwriter shall be subject to the provisions of this Article ELEVENTH.

Subsection 6. The board of directors of the Corporation shall have the power and duty to determine, for purposes of this Article ELEVENTH, on the basis of information known to the

Board, if and when such other Person has acquired Voting Control of the Corporation, and/or if any transaction is similar to, or has a similar effect as, any of the transactions identified in this Article ELEVENTH. Any such determination shall be conclusive and binding for all purposes of this Article ELEVENTH.

TWELFTH. During any period in which Nodak Mutual Group, Inc. holds at least a majority of the outstanding shares of Common Stock, shareholders may approve by written consent any action that could be taken at a meeting of shareholders of the Corporation, provided that such written consent is executed by shareholders who own of record shares having the right to cast the number of votes required to approve such action at a meeting of shareholders of the Corporation. Except as provided in the first sentence of this Article Twelfth, no action required to be taken or which may be taken at any annual or special meeting of shareholders of the Corporation may be taken without a meeting, and the power of the shareholders of the Corporation to consent in writing to action without a meeting is specifically denied. The presence, in person or by proxy, of shareholders entitled to cast at least a majority of the votes which all shareholders are entitled to cast shall constitute a quorum of shareholders at any annual or special meeting of shareholders of the Corporation.

THIRTEENTH. Except as required by applicable law, the authority to make, amend, alter, change or repeal the Bylaws of the Corporation is hereby expressly and solely granted to and vested in the board of directors of the Corporation, subject always to the power of the shareholders to change such action by the affirmative vote of shareholders of the Corporation entitled to cast at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the votes which all shareholders are entitled to cast, except that provisions of the Bylaws of the Corporation relating to limitations on directors' liabilities and indemnification of directors, officers and others may not be amended to increase the exposure to liability for directors or to decrease the indemnification of directors, officers and others except by the affirmative vote of at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the entire board of directors or by the affirmative vote of shareholders of the Corporation entitled to cast at least eighty percent (80%) of the votes which all shareholders are entitled to cast.

FOURTEENTH. The board of directors of the Corporation, when evaluating any offer of another party to (a) make a tender or exchange offer for any equity security of the Corporation, (b) merge or consolidate the Corporation with another corporation, (c) purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation, or (d) engage in any transaction similar to, or having similar effects as, any of the foregoing transactions, may, in connection with the exercise of its judgment in determining what is in the best interests of the Corporation and its shareholders, give due consideration to all relevant factors, including without limitation (i) the social and economic effects of the proposed transaction on the policyholders, employees, suppliers and other constituents of the Corporation and its subsidiaries and on the communities in which the Corporation and its subsidiaries operate or are located, (ii) the business reputation of the other party, and (iii) the board of directors' evaluation of the then value of the Corporation in a freely negotiated sale and of the future prospects of the Corporation as an independent entity.

FIFTEENTH. If any corporation, person, entity, or group becomes the beneficial owner, directly or indirectly, of shares of capital stock of the Corporation having the right to cast in the aggregate thirty-five percent (35%) or more of all votes entitled to be cast by all issued and outstanding shares of capital stock of the Corporation entitled to vote, such corporation, person, entity or group shall within thirty (30) days thereafter offer to purchase all shares of capital stock of the Corporation issued, outstanding and entitled to vote. Such offer to purchase shall be at a price per share equal to the highest price paid for shares of the respective class or series of capital stock of the Corporation purchased by such corporation, person, entity or group within the preceding twelve (12) months. If such corporation, person,

entity or group did not purchase any shares of a particular class or series of capital stock of the Corporation within the preceding twelve (12) months, such offer to purchase shall be at a price per share equal to the fair market value of such class or series of capital stock on the date on which such corporation, person, entity or group becomes the beneficial owner, directly or indirectly, of shares of capital stock of the Corporation having the right to cast in the aggregate twenty-five percent (25%) or more of all votes entitled to be cast by all issued and outstanding shares of capital stock of the Corporation. Such offer shall provide that the purchase price for such shares shall be payable in cash.

The provisions of this Article FIFTEENTH shall not apply to Nodak Mutual Group, Inc. and shall not apply to any corporation, person, entity, or group if at least two-thirds of the members of the board of directors of the Corporation approve in advance the acquisition of beneficial ownership by such corporation, person, entity or group, of shares of capital stock of the Corporation having the right to cast in the aggregate thirty-five percent (35%) or more of all votes entitled to be cast by all issued and outstanding shares of capital stock of the Corporation.

SIXTEENTH. The Corporation reserves the right to amend, alter, change or repeal any provision contained in its Articles of Incorporation in the manner now or hereafter prescribed by statute and all rights conferred upon shareholders and directors herein are hereby granted subject to this reservation; provided, however, that the provisions set forth in Articles SEVENTH through NINETEENTH, inclusive, of these Articles of Incorporation may not be repealed, altered or amended, in any respect whatsoever, unless such repeal, alteration or amendment is approved by either (a) the affirmative vote of shareholders of the Corporation entitled to cast at least eighty percent (80%) of the votes which all shareholders of the Corporation are then entitled to cast, or (b) the affirmative vote of at least two-thirds of the members of the board of directors of the Corporation and the affirmative vote of shareholders of the Corporation entitled to cast at least a majority of the votes which all shareholders of the Corporation are then entitled to cast.

SEVENTEENTH. Chapter 10-35 of the North Dakota Century Code (also known as the "North Dakota Publicly Traded Corporations Act") shall not be applicable to the Corporation.

EIGHTEENTH. A special meeting of the shareholders of the Corporation may be called only by: (i) the Chief Executive Officer, (ii) the Executive Committee of the Board of Directors, or (iii) two-thirds of the members of the board of directors of the Corporation.

NINETEENTH. To the fullest extent permitted by North Dakota law, a Director of this Corporation shall not be personally be liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a Director. Neither the amendment, modification nor repeal of this Article nor the adoption of any provision in these Articles of Incorporation inconsistent with this Article shall adversely affect any right or protection of a Director of the Corporation with respect to any act or omission that occurred prior to the time of such amendment, modification, repeal or adoption.

TWENTIETH. The Board of Directors of the Corporation may take any action that could be taken at a meeting of the Board of Directors by written consent, provided that such consent is executed by the number of directors required to approve such action at a meeting of the Board of Directors.

TWENTY-FIRST. The fiscal year of the Corporation shall begin on January 1 and shall end on December 31 of each year.

TWENTY-SECOND. The name and address of the incorporator is Michael J. Alexander, 1101 1st Avenue North, Fargo, North Dakota 58102.

IN TESTIMONY WHEREOF, the undersigned has signed these Amended and Restated Articles of Incorporation this _____ day of _____, 2016.

Michael J. Alexander, Incorporator

BYLAWS
OF
NI HOLDINGS, INC.

Article I

Meetings of Shareholders

Section 1.1. Annual Meetings. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may properly come before the meeting, shall be held at the main office of the Corporation, 1101 1st Avenue, Fargo, North Dakota, at 10:00 a.m., on the 4th Tuesday of May of each year, or at such other place on such date and at such time as the board of directors may in their discretion determine. The Chairperson of the Board shall preside at the annual meeting. Written notice stating the place, day, and hour of the meeting and, in case of a special meeting, the general nature of the business to be transacted, shall be delivered not less than five (5) nor more than sixty (60) days before the date of the meeting, or in case of a merger or consolidation not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President and Chief Executive Officer, or the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the books of the Corporation or as supplied by him to the Corporation for the purpose of notice, with postage thereon prepaid.

Section 1.2. Special Meetings. Special meetings of the shareholders may be called only in accordance with the Articles of Incorporation of the Corporation. Upon written request to the President and Chief Executive Officer or the Secretary, sent by registered mail or delivered to such officer in person, of any person or persons entitled to call a special meeting of the shareholders, it shall be the duty of the Secretary to fix the time of the meeting, which shall be held not more than sixty (60) days after the receipt of the request, and shall give due notice thereof.

Section 1.3. Nominations for Directors. Nominations for election to the board of directors may be made by the board of directors or by any shareholder of any outstanding class of capital stock of the Corporation entitled to vote for the election of directors. Nominations, other than those made by or on behalf of the board of directors of the Corporation, or an appropriate committee thereof, shall be made in writing and shall be delivered or mailed by first class United States mail, postage prepaid, to the Chairperson of the Board not less than 90 days nor more than 120 days prior to any meeting of shareholders called for the election of directors. Each notice of nomination made by a shareholder shall set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of each such nominee, (iii) the number of shares of capital stock of the Corporation that are beneficially owned by each such nominee, and (iv) any other

information with respect to such nominee required to be included in a proxy statement soliciting proxies for the election of directors under the rules and regulations of the United States Securities and Exchange Commission. The chairperson of the meeting may, if the facts warrant, determine and declare that a nomination was not made in accordance with the foregoing procedure, and such nomination shall be disregarded.

Section 1.4. Agenda for Shareholder Meetings. Matters to be placed on the agenda for consideration at annual meetings of shareholders may be proposed by the board of directors or by any shareholder entitled to vote for the election of directors. Matters to be placed on the agenda for consideration at special meetings of shareholders may be proposed only by the board of directors. Matters proposed for the annual meeting agenda by shareholders entitled to vote for the election of directors shall be made by notice in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Corporation not less than ninety (90) days nor more than one hundred and fifty (150) days prior to any annual meeting of shareholders; *provided, however*, that if less than twenty-one (21) days' notice of the meeting is given to shareholders, a shareholder's written notice of a proposed matter shall be delivered or mailed, as prescribed, to the Secretary of the Corporation not later than the close of the seventh day following the day on which notice of the meeting was mailed to shareholders. Notice of matters which are proposed by the board of directors shall be given by the Chairperson of the Board or any other appropriate officer. Each notice given by a shareholder shall set forth a brief description of the business desired to be brought before the annual meeting. The chairperson of the meeting of shareholders may, if the facts warrant, determine and declare to the meeting that a matter proposed for the agenda was not made in accordance with the foregoing procedure, and if the chairperson should so determine, he or she shall so declare to the meeting and the matter shall be disregarded.

Section 1.5. Election. Except as otherwise provided in the Articles of Incorporation or these Bylaws, directors of the Corporation shall be elected by the shareholders. In elections for directors, voting need not be by ballot unless required by vote of the shareholders before the voting for election of directors begins. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected.

Section 1.6. Proxies. Shareholders may vote at any meeting of the shareholders in person, or by proxy. Every proxy shall be executed in writing, or authenticated by the shareholder, or by their duly authorized attorney-in-fact and filed with or transmitted to the Secretary of the Corporation or its designated agent. A shareholder or their duly authorized attorney-in-fact may execute or authenticate a writing or transmit an electronic message authorizing another person to act for the shareholder by proxy. A telegram, telex, cablegram, datagram, e-mail, Internet communication or similar other means of electronic transmission from a shareholder or attorney-in-fact, or a photographic, facsimile or similar reproduction of a writing executed by a shareholder or attorney-in-fact may be treated as properly executed or authenticated. If the Corporation conducts voting by e-mail or other similar electronic transmission, the Corporation shall furnish to those shareholders voting by e-mail or other similar electronic transmission, a confidential and unique identification number or other type of mark to be used by the shareholder to vote at a particular meeting or transaction. Proxies, unless otherwise provided, shall be valid for only the meeting specified therein, and any adjournments

of such meeting. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Proxies shall be dated and shall be filed with the records of the meeting.

Section 1.7. Quorum. A majority of the outstanding shares of capital stock entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting at which a quorum is present, unless otherwise provided by law or by the Articles of Incorporation.

Section 1.8. Voting. Only persons in whose names shares appear on the share transfer books of the Corporation on the date on which notice of the meeting is mailed shall be entitled to vote at such meeting, unless some other date is fixed by the board of directors for the determination of shareholders of record, but such date shall not be less than ten (10) nor more than fifty (50) days before the date of the meeting. Unless otherwise provided in the Articles of Incorporation, every shareholder of the Corporation shall be entitled to one vote for each share outstanding.

Article II

Directors

Section 2.1. Board of Directors. The board of directors shall have the power to manage and administer the business and affairs of the Corporation. Except as expressly limited by law or required or directed by these Bylaws or by the Articles of Incorporation to be exercised by the shareholders, all corporate powers of the Corporation shall be vested in and may be exercised by the board of directors.

Section 2.2. Chairperson of the Board. The Chairperson of the board of directors of the Corporation shall preside at all meetings of the shareholders and of the directors at which he or she is present, and shall have such authority and perform such other duties as the board of directors may from time to time designate.

Section 2.3. Vice Chairperson. In the absence of the Chairperson of the Board, the Vice Chairperson shall preside at all meetings of the shareholders and of the directors at which he or she is present, and shall have such authority and perform such other duties as the board of directors may from time to time designate.

Section 2.4. Number, Selection and Term of Office. The board of directors of the Corporation shall consist of at least three (3) and not more than fifteen (15) directors, the exact number to be set from time to time by resolution of the board of directors. Each director shall be a natural person of full age and at least a majority of the directors shall be persons who are: (i) not employees of the Corporation or of any entity controlling, controlled by or under common control with the Corporation, and (ii) otherwise independent within the meaning of any applicable statute or any listing requirement of a stock exchange or over the counter market on

which any security of the Corporation is admitted for trading. A director having the attributes set forth in (i) and (ii) shall hereinafter be deemed an Independent Director. Each director shall hold office until the expiration of the term for which he or she was selected and until a successor has been selected and qualified or until his or her earlier death, resignation or removal. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director. The President and Chief Executive Officer shall be a member of the Corporation's Board of Directors.

Section 2.5. Vacancies. Vacancies in the board of directors shall exist in the case of the happening of any of the following events: (i) the death or resignation of any director; (ii) if at any annual or special meeting of the shareholders at which directors are to be elected, the shareholders fail to elect the full authorized number of directors to be voted for at that meeting; (iii) an increase in the number of directors by resolution of the board of directors; (iv) the removal of a director by the affirmative vote of shareholders of the corporation in accordance with the Articles of Incorporation of the Corporation; or (v) the removal of a director by the board of directors or a court of competent jurisdiction in accordance with these Bylaws or otherwise in accordance with law. Vacancies in the board of directors, including vacancies resulting from an increase in the number of directors, may be filled by a majority vote of the remaining members of the board though less than a quorum, or by a sole remaining director, and each person so selected shall be a director to serve for the balance of the unexpired term and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal.

Section 2.6. Regular Meetings. The board of directors of the Corporation shall hold an annual meeting for the election of officers and the consideration of other proper business either as soon as practical after, and at the same place as, the annual meeting of shareholders of the Corporation, or at such time and place as may be fixed by the board of directors. No notice of regular meetings need be given.

Section 2.7. Special Meetings. Special meetings of the board of directors may be called by the Chairperson of the Board, the Vice Chairperson, the President and Chief Executive Officer, or at the request of three (3) directors, to be held at the principal place of business of the Corporation or such other place as designated by the person or persons calling such special meeting. Each member of the board of directors shall be given notice stating the time and place, by telephone, email, telegram, facsimile transmission, letter, or in person, of each such special meeting.

Section 2.8. Executive Sessions. Members of the board of directors who are Independent Directors shall meet in executive session at least twice a year. No notice of executive sessions need be given.

Section 2.9. Quorum. A majority of directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a lesser number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

Section 2.10. Remuneration. No stated fee shall be paid to directors for their services, but by resolution of the board of directors a fixed sum and expenses of attendance, if any, may be

paid for attendance at each regular or special meeting of the board of directors; *provided*, that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefore. Members of standing or special committees may be compensated for attending committee meetings.

Section 2.11. Action by Directors Without a Meeting. Any action which may be taken at a meeting of the directors, or of a committee thereof, may be taken without a meeting if consent or consents shall be signed by such number of the directors as is required to approve such action at a meeting of the board of directors, or a majority of the members of the committee, as the case may be. Such consent shall have the same effect as a vote taken at a duly called meeting at which a quorum is present.

Section 2.12. Action of Directors by Communications Equipment. With the prior approval of the Chairperson of the Board, any action which may be taken at a meeting of directors, or of a committee thereof, may be taken by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time.

Section 2.13. Minutes. The board of directors and each committee hereinafter provided for shall keep minutes of its meetings. Minutes of the committees shall be submitted at the next regular meeting of the board of directors, and any action taken with respect thereto shall be entered in the minutes of the board of directors.

Article III

Committees of the Board

Section 3.1. Committees. The board of directors may, by resolution adopted by a majority of the directors in office, establish one or more committees. Each committee shall consist of at least two (2) members of the board of directors. The board may designate one or more directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee or for purposes of any written action of the committee.

A committee, to the extent provided in the resolution of the board of directors creating it, shall have and may exercise all of the powers and authority of the board of directors except that a committee shall not have any power or authority regarding: (i) the submission to shareholders of any action requiring the approval of shareholders under the North Dakota Business Corporation Act, as it may be amended, (ii) the creation or filling of vacancies in the board of directors, (iii) the adoption, amendment or repeal of these bylaws, and (iv) any action on matters committed by the bylaws or resolution of the board of directors to another committee of the board of directors.

Section 3.2. Audit Committee. There shall be a standing committee of the board of directors to be known as the Audit Committee. The members of the Audit Committee shall consist exclusively of Independent Directors. The Audit Committee shall: (i) engage the independent accountants for the Corporation, (ii) review with the independent accountants the

scope of their examination, (iii) receive the reports of the independent accountants and meet with the representatives of such accountants for the purpose of reviewing and considering questions relating to their examination and such reports, (iv) review the internal accounting and auditing procedures of the corporation, and (v) perform such other duties as may be deemed necessary from time to time to fulfill its obligations under applicable law and the listing requirements of any stock exchange or over the counter market on which any security of the Corporation is admitted for trading.

Section 3.3. Nominating and Corporate Governance Committee. There shall be a standing committee of the board of directors to be known as the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall consist exclusively of Independent Directors. The Nominating and Corporate Governance Committee shall nominate candidates for election as director and shall make recommendations to the board of directors with respect to qualifications of directors.

Section 3.4. Compensation Committee. There shall be a standing committee of the board of directors to be known as the Compensation Committee. The members of the Compensation Committee shall consist exclusively of Independent Directors. The Compensation Committee shall make recommendations to the board of directors with respect to the compensation of the executive officers of the Corporation.

Article IV

Officers and Employees

Section 4.1. Designations. The officers of the Corporation shall be the President and Chief Executive Officer, the Chief Financial Officer, the Treasurer, and the Secretary, who shall be elected for one year by the board of directors at their first meeting after the annual meeting of shareholders and who shall hold office until their successors are elected and qualify. Any two or more offices may be held by the same person, except the offices of Chairperson, Vice Chairperson, President and Chief Executive Officer, and Chief Financial Officer.

Section 4.2. The President and Chief Executive Officer. The President and Chief Executive Officer shall have general supervision of all departments and business of the Corporation, and shall prescribe the duties of other officers and see to the performance thereof. The President and Chief Executive Officer shall also have and may exercise such further powers and duties as from time to time may be conferred upon or assigned to him or her by the board of directors. The President and Chief Executive Officer shall report directly to the board of directors of the Corporation.

The President and Chief Executive Officer shall have and may exercise any and all powers and duties pertaining by law, regulation, or practice to the office of President and Chief Executive Officer or imposed by these Bylaws. The President and Chief Executive Officer shall also have and may exercise such further powers and duties as from time to time may be conferred upon or assigned to him or her by the board of directors.

Section 4.3. Chief Financial Officer. The Chief Financial Officer shall have general supervision of the fiscal affairs of the Corporation. The Chief Financial Officer shall, with the assistance of the President and Chief Executive Officer, and the managerial staff of the Corporation: (a) see that a full and accurate accounting of all financial transactions is made; (b) invest and reinvest the capital funds of the Corporation in such manner as may be directed by the board of directors, unless that function shall have been delegated to a nominee or agent; (c) prepare any financial reports that may be requested from time to time by the board of directors; (d) cooperate in the conduct of any annual audit of the Corporation's financial records by certified public accountants duly appointed by the Audit Committee; and (e) in general perform all the usual duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the board of directors or the President and Chief Executive Officer.

Section 4.4. Secretary. The board of directors shall appoint a secretary, who shall be the Secretary of the board of directors and of the Corporation, and shall keep accurate minutes of meetings. The Secretary shall attend to the giving of all notices required by these Bylaws to be given. The Secretary shall be the custodian of the corporate seal (if any), records, documents and papers of the Corporation. The Secretary shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of Secretary or imposed by these Bylaws. The Secretary shall perform such other duties as may be assigned to him or her from time to time by the board of directors.

Section 4.5. Other Officers. The board of directors may appoint one or more Vice Presidents, one or more Assistant Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers found necessary for the orderly transaction of business. Such officers shall respectively exercise such powers and perform such duties as pertain to the respective officers or as may be conferred upon or assigned to them by the board of directors or the President and Chief Executive Officer.

Section 4.6. Clerks and Agents. The board of directors may appoint, from time to time, such agents or employees as it may deem advisable for the prompt and orderly transaction of the business of the Corporation. The board of directors may also define their duties, fix their salaries and dismiss them. Subject to the authority of the board of directors, the President and Chief Executive Officer may appoint and dismiss all or any agents or employees, prescribe their duties and the conditions of their employment, and from time to time, fix their compensation.

Section 4.7. Tenure of Offices. All officers shall hold office for the current year for which the board of directors was elected, unless they shall resign, become disqualified, or be removed; and any vacancy occurring in the office of the President and Chief Executive Officer shall be filled by the board of directors. In the event that the President and Chief Executive Officer is unable to act, the board of directors shall meet forthwith upon the call of the Chairperson of the Board, the Vice Chairperson, or any three directors to appoint a successor or replacement.

Section 4.8. Termination of Officers. Any officer of the Corporation may be terminated by the board of directors with or without cause, but such termination shall be without prejudice to the contract rights, if any, of the person so terminated. Election or appointment of an officer shall not of itself create contract rights.

Article V

Authority of Officers

Section 5.1. Corporate Seal. If the Corporation adopts a corporate seal, the President and Chief Executive Officer, the Chief Financial Officer, any Vice President, and the Secretary shall each have authority to affix and attest the corporate seal of the Corporation.

Section 5.2. Other Powers. The President and Chief Executive Officer, the Chief Financial Officer, or any Vice President is authorized to perform such corporate and official acts as are necessary to carry on the business of the Corporation, subject to the directions of the board of directors.

The above-named officers are fully empowered, subject to policies and established board and/or committee approvals:

(a) To sell, assign and transfer any and all shares of stock, bonds or other personal property standing in the name of the Corporation or held by the Corporation either in its own name or as agent;

(b) To assign and transfer any and all registered bonds and to execute requests for payment or reissue of any such bonds that may be issued now or hereafter and held by the Corporation in its own right or as agent;

(c) To sell at public or private sale, lease, mortgage or otherwise dispose of any real estate or interest therein held or acquired by the Corporation in its own right or as agent, and to execute and deliver any instrument necessary to completion of the transaction;

(d) To receive and receipt for any sums of money or property due or owing to the Corporation in its own right or as agent and to execute any instrument of satisfaction therefore for any lien of record; and

(e) To execute and deliver any deeds, contracts, agreements, leases, conveyances, bills of sale, petitions, writings, instruments, releases, acquittance and obligations necessary in the exercise of the corporate powers of the Corporation.

Section 5.3. Checks and Drafts. Each of the President and Chief Executive Officer, the Chief Financial Officer, and other employees, as may from time to time be designated by the board of directors, shall have the authority to sign checks, drafts, letters of credit, orders, receipts, and to endorse checks, bills of exchange, orders, drafts, and vouchers made payable or endorsed to the Corporation subject to the policies of the board of directors.

Section 5.4. Loans. Each of the President and Chief Executive Officer, the Chief Financial Officer, and any Vice President designated by the board of directors, acting in conjunction with any other of these designated officers may effect loans on behalf of the Corporation from any banking institution or other lender, executing notes or obligations and pledging assets of the Corporation therefor, subject to the policies of the board of directors.

Article VI

Section 6.1. Limitation of Liability. To the fullest extent permitted by North Dakota Law, a director of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director. No amendment, modification or repeal of this Section 6.1 nor the adoption of any provision inconsistent with this Section 6.1 shall adversely affect any right or protection of a director of the Corporation with respect to any act or omission that occurred prior to the time of such amendment, modification, repeal or adoption.

Section 6.2. Indemnification.

(a) The Corporation shall defend and shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation, or is or was serving, at the request of the Corporation, as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such claim, action, suit or proceeding to the fullest extent permitted by North Dakota law.

(b) Advance of Expenses. Expenses (including attorneys' fees) incurred in defending a civil claim or a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such claim, action, suit, or proceeding, upon receipt of a written statement by or on behalf of the director, officer, employee, or agent to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VI.

(c) Indemnification not Exclusive. The indemnification and advancement of expenses provided by this Article VI shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of disinterested directors or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding 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 person.

(d) Insurance, Contracts, Security. The Corporation may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, and may create a fund of any nature which may, but need not be, under the control of a trustee for the benefit of any person, and may otherwise secure in any manner its obligations with respect to indemnification and advancement of expenses, whether arising under this Article VI or otherwise, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VI.

Section 6.3. Effect of Amendment. Any repeal or modification of this Article VI shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation or any right of any person to indemnification from the Corporation with respect to any action or failure to take any action occurring prior to the time of such repeal or modification.

Section 6.4. Severability. If, for any reason, any provision of this Article VI shall be held invalid, such invalidity shall not affect any other provision not held so invalid, and each such other provision shall, to the full extent consistent with law, continue in full force and effect. If any provision of this Article VI shall be held invalid in part, such invalidity shall in no way affect the remainder of such provision, and the remainder of such provision, together with all other provisions of this Article VI, shall, to the full extent consistent with law, continue in full force and effect.

Article VII

Stock and Stock Certificates

Section 7.1. Transfers. Transfer of shares of stock of each class of the Corporation shall be made only on the books of the Corporation by the registered holder thereof, or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or transfer agent for such stock, if any, and if such shares are represented by a certificate, upon surrender of the certificates therefor, endorsed by the person named in the certificate or by his attorney, lawfully constituted in writing. No transfer shall be made which is inconsistent with law.

Section 7.2. Shares. The shares of the Corporation shall be represented by certificates, or shall be uncertificated shares that may be evidenced by a book entry system maintained by the registrar of such stock, or a combination of both. To the extent that shares are represented by certificates, such certificates shall be in such form as shall be approved by the board of directors and shall state: (i) that the Corporation is incorporated under the laws of the State of North Dakota, (ii) the name of the person to whom issued, and (iii) the number and class of shares and the designation of the series, if any, that the share certificate represents. The share register or transfer books and blank share certificates shall be kept by the Secretary or by any transfer agent or registrar designated by the board of directors for that purpose.

Section 7.3. Share Certificates. To the extent that shares are represented by certificates, such certificates shall be signed by the President and Chief Executive Officer and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, or by any one of their facsimile signatures, or in their absence by board-designated Officers and shall be signed by a transfer agent. The corporate seal shall appear on each share certificate and may be a facsimile, engraved or printed. In case any officer who has signed, or whose facsimile signature has been placed upon, any share certificate shall have ceased to be such officer because of death, resignation or otherwise, before the certificate is issued, it may be issued with the same effect as if the officer had not ceased to be such at the date of its issue. The provisions of this section shall be subject to any inconsistent or contrary agreement at the time between the Corporation and any transfer agent or registrar.

Section 7.4. Shares of Another Corporation. Shares owned by the Corporation in another corporation, domestic or foreign, shall be voted by the President and Chief Executive Officer or such other officer, agent or proxy as the board of directors may determine.

Article VIII

Miscellaneous Provisions

Section 8.1. Fiscal Year. The Fiscal Year of the Corporation shall be the calendar year. The Corporation shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the Audit Committee.

Section 8.2. Records. The Articles of Incorporation, the Bylaws and the proceedings of all meetings of shareholders, the board of directors, and standing committees of the board of directors, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as secretary of the meeting.

Section 8.3. Gender and Number. Where the context permits, words in any gender shall include any other gender, words in the singular shall include the plural and the plural shall include the singular.

Article IX

Bylaws

Section 9.1. Inspection. A copy of the Bylaws, with all amendments thereto, shall at all times be kept in a convenient place at the main office of the Corporation, and shall be open for inspection to all shareholders during normal business hours.

Section 9.2. Amendments. The authority to make, amend, alter, change or repeal these Bylaws of the Corporation is solely granted to and vested in the board of directors of the Corporation, subject to the power of the shareholders to change any such action by the affirmative vote of shareholders of the Corporation entitled to cast at least sixty-six and two thirds percent (66 2/3%) of the votes which all shareholders are entitled to cast, except that Article Sixth of the Bylaws of the Corporation relating to limitations on directors' liabilities and indemnification of directors and officers may not be amended to increase the exposure to liability for directors or to decrease the indemnification of directors and officers except by the affirmative vote of sixty-six and two thirds percent (66 2/3%) of the entire board of directors or by the affirmative vote of shareholders of the Corporation entitled to cast at least eighty percent (80%) of the votes which all shareholders are entitled to cast.