

THE NATIONAL INSURANCE CRIME BUREAU

INTRODUCTION

The National Insurance Crime Bureau was incorporated as a not for profit corporation in the State of Illinois on June 21, 1991. On September 9, 1991 the Internal Revenue Service issued its determination letter that the National Insurance Crime Bureau was exempt from federal income taxation as a social welfare organization under Section 501(c)(4) of the Internal Revenue Code. As organized, the purposes of the NICB are civic and educational, specifically:

a. to formulate general policies for the prevention and detection of all insurance-related crime and fraud including, but not limited to, arson and theft of vehicles, equipment, marine and other;

b. to gather pertinent information and data with respect to insurance-related crime and fraud and disseminate such information and data to Members, public officials and law enforcement officials consistent with applicable law;

c. to act as an interfacing agency between insurance and other companies and the criminal justice system for the prompt investigation of insurance-related crime and fraud referred to the Corporation for investigation and to provide a deterrent to such activities;

d. to conduct investigations of insurance-related crime and fraud and to facilitate, whether through litigation or otherwise, the recovery of stolen or wrongfully obtained property or funds and the return of this property or funds to the victims of insurance-related crime or fraud;

e. to assist and cooperate with public officials and law enforcement officers in their activities concerning the prevention and detection of insurance-related crime and fraud, including the investigation of such crime and fraud;

f. to encourage and aid in the prosecution of persons engaged in insurance-related crime and fraud and in connection therewith to sign a complaint where, in the judgment of the Corporation, such action is deemed to be appropriate; and

g. to conduct programs for the education of public officials and law enforcement officers of all jurisdictions as well as the insurance industry and the general public in the prevention and detection of insurance-related crime and fraud.

**BY-LAWS OF THE
NATIONAL INSURANCE CRIME BUREAU**
(An Illinois Not for Profit Corporation)

ARTICLE I - NAME, PURPOSE AND TAX EXEMPT STATUS

SECTION 1 - Name

The name of the corporation is National Insurance Crime Bureau (the "Corporation").

SECTION 2 - Purpose

The purposes for which the Corporation is organized are civic and educational, specifically:

(a) to formulate general policies for the prevention and detection of all insurance- related crime and fraud, including, but not limited to, arson and theft of vehicles, equipment, marine and other;

(b) to gather pertinent information and data with respect to insurance-related crime and fraud and disseminate such information and data to Members, public officials and law enforcement officials consistent with applicable law;

(c) to act as an interfacing agency between insurance and other companies and the criminal justice system for the prompt investigation of insurance-related crime and fraud referred to the Corporation for investigation and to provide a deterrent to such activities;

(d) to conduct investigations of insurance-related crime and fraud and to facilitate, whether through litigation or otherwise, the recovery of stolen or wrongfully obtained property or funds and the return of this property or funds to the victims of insurance-related crime or fraud;

(e) to assist and cooperate with public officials and law enforcement officers in their activities concerning the prevention and detection of insurance-related crime and fraud, including the investigation of such crime and fraud;

(f) to encourage and aid in the prosecution of persons engaged in insurance-related crime and fraud and in connection therewith to sign a complaint where, in the judgment of the Corporation, such action is deemed to be appropriate; and

(g) to conduct programs for the education of public officials and law enforcement officers of all jurisdictions as well as the insurance industry and the general public in the prevention and detection of insurance-related crime and fraud.

Without limiting the foregoing, the Corporation shall continue generally the activities of National Automobile Theft Bureau, Inc. and Insurance Crime Prevention Institute.

The Corporation also shall have such powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of 1986, as amended, of the State of Illinois (the "GNFPCA"). The Corporation shall conduct its investigative activities generally as a principal and not as an agent for any Member or Members.

SECTION 3 - Operation as Tax Exempt Organization - Exempt Activities

The Corporation will operate exclusively as an organization within the meaning of Section 501(c) of the Internal Revenue Code of 1986, as amended (the "Code"). The Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation which is exempt from federal income taxation as an organization within the meaning of Section 501(c) of the Code. Notwithstanding any other provision of these By-Laws, no Member, governor, officer, employee or agent of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation which is not permitted to be taken or carried on by an organization exempt under Section 501(c) of the Code.

No part of the net earnings of the Corporation shall inure to the benefit of any Member, governor, officer, employee or agent of the Corporation, or any private individual, except that reasonable compensation may be paid for services rendered to or for the Corporation (or any of its predecessor entities) affecting one or more of its purposes. In the event of dissolution or final liquidation of the Corporation, whether voluntary or involuntary, no Member, governor, officer, employee or agent of the Corporation, or any private individual, shall be entitled to any distribution or division of the remaining property or proceeds therefrom of the Corporation. The balance of money and other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be used, distributed or transferred exclusively to an organization or organizations having purposes substantially similar to those for which the Corporation is organized as the Board of Governors of the Corporation (the "Board") may determine.

SECTION 4 - Offices

The Corporation shall have and continuously maintain in the State of Illinois a registered agent and office, which office may be, but need not be, identical with the principal office of the Corporation in the State of Illinois. The identity of the registered agent or address of the registered office may be changed from time to time by the Board.

The headquarters office and all other offices of the Corporation shall be at such locations as the Board may determine.

ARTICLE II - MEMBERSHIP

SECTION 1 - Eligibility

1.1 Classes of Membership: The Corporation shall have two classes of Members. The designation of the classes and the qualification and rights of the Members of each respective class shall be as follows:

(a) Active Members: Active membership in the Corporation shall be open to all companies licensed in (a) any of the fifty (50) states of the United States, (b) the District of Columbia, (c) Puerto Rico, (d) the Virgin Islands and (e) the insular possessions of the United States and lawfully engaged in the business of writing insurance. No Active Member, which is or may hereafter be affiliated with, owned or controlled by, operated in the same interest or under any direct, mutual or common management with any other company (or companies) engaged in the business of writing insurance (an "Affiliate") shall be permitted to remain an Active Member unless each such Affiliate also is or immediately becomes an Active Member of the Corporation or unless otherwise determined by the President after taking into consideration the equities and fairness to the Active Member and the membership of the application of this By-Law. All Active Members that are Affiliates of one another shall be treated as one (1) Member for all

voting right purposes including, but not limited to, the determination of a quorum of Members and the voting percentages required for any action by the membership. The Board may adopt such rules as are necessary to implement voting procedures with respect to Members and their Affiliates. Furthermore, all Active Members that are Affiliates of one another shall be treated as one (1) Member for purposes of representation on the Board and with respect to the Corporation's officers.

(b) Associate Members: Associate Members shall have such rights and privileges of membership in the Corporation as shall be determined from time to time by the Board, except that they shall not be entitled to vote on any matter to come before the Corporation. Associate membership shall be open to such non-insurance company entities or insurers not operating in the U.S. as the Board shall determine by rule for reasonable membership qualifications and conditions, including sub-classes or divisions of Associate membership.

(c) Inclusive Reference: Each company or entity admitted to and maintaining either Active or Associate membership in the Corporation hereinafter is generally referred to as a "Member."

1.2 By-Laws Compliance and Certificates of Membership: Except insofar as the same may be inconsistent with federal or state laws or with the laws of other political subdivisions of the United States, of the District of Columbia and, where applicable, of Canada and of the Republic of Mexico, each Member shall agree to observe these By-Laws (and all amendments thereto) and to be bound by all conditions of membership as the Board may determine and as are consistent with the purposes of the Corporation. These By-Laws shall not impose any obligations inconsistent with federal or state antitrust laws and shall be interpreted consistent with these laws.

The Board may provide for the issuance of evidence of membership in the Corporation, which shall be in such form as may be determined by the Board.

SECTION 2 - Assessments

The Board shall determine the assessments payable by the Members. Each Member shall, at such time or times as the Board shall determine, furnish to the Corporation such information as may be reasonably required of all Members (or all Members engaged in the same business activity) in order for the Board to determine membership assessments. Errors or omissions in such information furnished to the Corporation must be reported by the Member to the Corporation, or by the Corporation to the Member, as the case may be, within eight (8) months from the date such information is so furnished or from the date of the first assessment billing in the event of computation error, and no adjustment or refund may be made for errors or omissions not so reported.

SECTION 3 - Annual Meetings

The annual meeting of Members for the election of governors and the transaction of other business as may come before the meeting shall be held on such date and at such time as may be determined by the Board.

SECTION 4 - Special Meetings

Special meetings may be called at any time by the Chairman of the Board or the President on his or her own motion and shall be called by the President upon the written request of any three (3) Members of the Board or ten percent (10%) or more of the Members having voting rights.

SECTION 5 - Place of Meetings

The Board may designate any place, either within or without the State of Illinois, as the place of meeting for any annual or for any special meeting called by the Board. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Illinois.

SECTION 6 - Notice of Meetings

Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each Member of record entitled to vote at such meeting not less than five (5) nor more than sixty (60) days before the date of the meeting. In the case of a removal of one or more governors, a merger, consolidation, dissolution or sale, lease or exchange of assets, notice shall be given not less than twenty (20) nor more than sixty (60) days before the date of the meeting by or at the direction of the President to each Member of record entitled to vote at such meeting.

SECTION 7 - Fixing Record Date for Voting

For the purpose of determining Members entitled to notice of or to vote at any meeting of Members, or in order to make a determination of Members for any other proper purpose, the Board may fix in advance a date as the record date for any such determination of Members, such date in any case to be not more than sixty (60) days and, for a meeting of Members, not less than five (5) days, or in the case of a removal of one or more governors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) days immediately preceding such meeting. If no record date is fixed for the determination of Members entitled to notice of or to vote at any meeting of Members, the date on which notice of the meeting is delivered shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided herein, such determination shall apply to any adjournment thereof. In lieu of the Board from time to time establishing record dates, these By-Laws may establish a mechanism for determining record dates in all or specified instances.

SECTION 8 - Quorum

Members holding one-twentieth (1/20) of the votes entitled to be cast on a matter, represented in person or by proxy, shall constitute a quorum for consideration of such matter at a meeting of Members.

SECTION 9 - Voting

Each Member shall be entitled to one vote on each matter submitted to a vote of Members, except as otherwise provided above for Members and their Affiliates. If a quorum is present, the affirmative vote of a majority of the votes present and voted, either in person or by proxy, shall be the act of the Members. Each Member may be represented at meetings by an executive officer or by a person who has been specifically authorized in writing by such executive officer to represent it, such written authorization having been filed with the Secretary.

SECTION 10 - Proxies

At any meeting of Members, a Member entitled to vote may vote in person or by proxy, executed in writing by the appointed executive officer of the Member or by that officer's duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

SECTION 11 - Informal Action by Members

Any action required to be taken at any annual or special meeting of the Members entitled to vote, or any other action which may be taken at a meeting of the Members entitled to vote, may be taken without a meeting and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting; provided if such consent is signed by less than all of the Members entitled to vote, then such consent shall become effective only: (a) if, at least five (5) days prior to the effective date of such consent, a notice in writing of the proposed action is delivered to all of the Members entitled to vote with respect to the subject matter thereof, and (b) if, after the effective date of such consent, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those Members entitled to vote who have not consented in writing.

SECTION 12 - Involuntary Termination of Membership

A Member may be expelled from the Corporation for failure to comply with any of these By-Laws, the conditions of membership or any rules adopted by the Board. In order to expel a Member, the Board shall give written notice to the subject Member setting forth the charges of such non-compliance and request the Member to submit an answer to the charges within fifteen (15) days. The matter then shall be considered at a special meeting of the Board to be held not less than forty-five (45) days following such notice. At such meeting the Member may be expelled by the affirmative vote of the majority of the governors present at the meeting, and said vote shall be the final determination of the propriety of the expulsion. Any expulsion shall be effective thirty (30) days from the date on which it is voted. Until the effective date of such expulsion, the expelled Member shall have every right and be under every obligation established by these By-Laws and any rules adopted by the Board. No action by a Member so charged or expelled shall lie against the Corporation, any of its Members or any governor, officer, employee or agent or any other person on account of such charges or expulsion. After the effective date of such expulsion, an expelled Member shall have no rights to any of the assets or property of the Corporation.

Additionally, a Member will automatically forfeit its membership upon (a) the entry of an order of dissolution, rehabilitation or liquidation affecting it or (b) the failure to pay its assessment on the due date thereof and to correct such failure, after notice thereof by the President, within ninety (90) days after such due date. A Member so forfeiting its membership shall have no rights to any of the assets or property of the Corporation.

SECTION 13 - Voluntary Termination of Membership

A Member may resign from the Corporation at any time upon six (6) months' written notice to the Board provided that such Member has paid in full all of its assessments, including its pro rata share for any period between the last assessment levy and the effective date of resignation. Such Member shall have no rights to any assets or property of the Corporation.

ARTICLE III - BOARD OF GOVERNORS

SECTION 1 - General Powers

The management, supervision and control of the affairs of the Corporation shall be vested in the Board. Additionally, the Board shall carry out these By-Laws and any rules adopted by the Board.

SECTION 2 - Specific Powers

The Board shall perform the following specific functions:

(a) determine eligibility for membership in accordance with these By-Laws and make all determinations with respect to membership, and the conditions thereof, in the Corporation;

(b) fix the method of assessment necessary to meet the Corporation's expenses;

(c) adopt such rules as are necessary to ensure compliance with applicable legal principles and such other requirements as the Board deems necessary for the general operation of the Corporation; provided, however, that no rules of the Corporation shall require any anti-competitive behavior; and

(d) make all determinations with respect to compliance with these By-Laws and any rules adopted by the Board.

SECTION 3 - Number and Term

The number of the governors shall be twenty-one (21), including the immediate past Chairman; provided, however, that from and after the first annual meeting of Members the number of governors shall be Eighteen (18) including the immediate past Chairman. The Board shall be divided into three (3) classes of an equal or substantially equal number of governors.

The term of office for governors of the first class shall expire at the first annual meeting of Members after their election, that of the second class shall expire at the second annual meeting after their election, and that of the third class shall expire at the third annual meeting after their election. At each annual meeting after such classification, the number of governors equal to the number of governors in the class whose terms expire at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. In the case of a governor who serves as Chairman of the Board in his or her third year as governor, he or she may serve an additional term of one (1) or two (2) year(s) and shall advise, counsel and assist the Board in the exercise of its powers. In the case of a governor who serves as Vice Chairman of the Board in his or her third year as governor, such governor shall be eligible to be elected Chairman of the Board and, if so elected as Chairman, he or she shall serve an additional term of three (3) or four (4) years, two (2) as Chairman and one (1) or two (2) as immediate past Chairman, and shall advise, counsel and assist the Board in the exercise of its powers.

SECTION 4 - Eligibility

At the time when nominated and at all times while serving as a governor, each governor shall be an active senior claims executive or higher level executive of a Member insurance company, an executive with comparable seniority at a Member non-insurance company, a present or former

official of the criminal justice system (other than an employee of an insurance company) or a distinguished citizen from the public at large. Notwithstanding the foregoing, Members that are Affiliates of one another shall have only one (1) representative serving as a member of the Board or an officer at any time. A person may serve in the capacity of governor and as one of the Corporation's officers at the same time.

SECTION 5 - Nomination and Election

At least thirty (30) days before each annual meeting of Members, the Board shall nominate candidates eligible for election to succeed those members of the Board whose terms of office shall expire that year. All such nominees, together with any other nominees, shall be voted upon at the annual meeting of Members. Election shall be by a majority of the votes present and voted, either in person or by proxy, at the meeting. The Board shall select its own Chairman and Vice Chairman. The Chairman shall preside at meetings of the Board and, in the absence of the President, meetings of Members. In his or her absence or incapacity, the Vice Chairman shall so preside. The immediate past Chairman may serve a term of one (1) or two (2) years and shall advise, counsel and assist the Board in the exercise of its powers. The immediate past Chairman shall be a member of the Board and its Executive Committee and shall be eligible for all appointments and designations, except those of Chairman and Vice Chairman of the Board.

SECTION 6 - Removal

One or more of the governors may be removed, with or without cause. No governor may be removed, except as follows:

(a) a governor may be removed by an affirmative vote of two-thirds (2/3) of the votes of Members present and voted, either in person or by proxy; and

(b) no governor shall be removed at a meeting of Members entitled to vote unless the written notice of such meeting is delivered to all Members entitled to vote on the removal of governors. Such notice shall state that a purpose of the meeting is to vote upon the removal of one or more governors named in the notice. Only the named governor or governors may be removed at such meeting.

SECTION 7 - Regular Meetings

The annual meeting of the Board shall be held immediately after the annual meeting of the Members, either within or without the State of Illinois, without prior notice, for the purpose of electing officers and conducting any other business which may properly come before the Board.

SECTION 8 - Special Meetings

Special meetings of the Board may be called by or at the request of the Chairman of the Board or any two (2) governors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Illinois, as the place for holding such special meeting.

SECTION 9 - Notice

Notice of any special meeting of the Board shall be given at least five (5) days prior thereto by written notice delivered personally or sent by mail, facsimile transmission or overnight delivery to each governor. Any governor may waive notice to him or her of any meeting. The attendance of a governor at any special meeting shall constitute a waiver of notice of such meeting, except where a governor attends such meeting for the express purpose of objecting to the transaction of any business because such meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or these By-Laws.

SECTION 10 - Quorum

A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. The act of majority of the governors present at a meeting at which a quorum is present shall be the act of the Board, except where otherwise provided by law or these By-Laws.

SECTION 11 - Informal Action

Any action required to be taken at a meeting of the Board or committee thereof, or any action which may be taken at a meeting of the Board or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the governors or all of the members of such committee. The consent shall be evidenced by one (1) or more written approvals, each of which shall set forth the action taken and shall bear the signature of one (1) or more governors or committee members. All of the approvals evidencing the consent shall be delivered to the Secretary to be filed in the corporate records of the Board or committee thereof.

SECTION 12 - Vacancies

Any vacancy occurring on the Board shall be filled by the Board. A governor elected to fill a vacancy occurring by reason of the death, resignation or removal of a governor shall be elected for the unexpired term of his or her predecessor in office.

SECTION 13 - Compensation

Neither the Chairman nor the other members of the Board shall receive any salaries for their services on the Board.

ARTICLE IV - COMMITTEES

SECTION 1 - Executive Committee

At each annual meeting of the Board, there may be elected from its membership an Executive Committee. The Executive Committee shall consist of the Chairman and Vice Chairman of the Board and no more than seven (7) members elected from the membership of the Board. The Executive Committee shall be vested with the authority to act between meetings of the Board, subject to the limitations of the GNFPCA. The Chairman of the Board shall be the Chairman of the Executive Committee.

SECTION 2 - Other Committees

The Board, by resolution adopted by a majority of the governors present at a meeting at which a quorum is present, may, as it deems fit, establish or appoint other committees, the chairman thereof to be designated by the Board in the making of such appointments. Each such committee shall have two (2) or more governors, and each committee member shall be a duly authorized representative of a Member of the Corporation. Any committee member may be removed by the Board whenever, in its judgment, the best interests of the Corporation are to be served by such removal.

SECTION 3 - Term

Each member of a committee shall continue as such until his or her successor is appointed, unless the committee shall be sooner terminated, unless such member be removed from such committee or unless such member shall cease to qualify as a member thereof.

SECTION 4 - Quorum

Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum. The act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 5 - Vacancies

Vacancies in the membership of any committee may be filled by the Board.

SECTION 6 - Rules

Each committee may adopt rules for its own governance not inconsistent with rules adopted by the Board or with these By-Laws.

ARTICLE V - OFFICERS

SECTION 1 - Number

The officers of the Corporation shall be a President, and one or more Vice Presidents, a Secretary, a Treasurer and such other officers or assistant officers. Any two (2) or more offices may be held by the same person, except the offices of President and Vice President or Secretary.

SECTION 2 - Election

The officers of the Corporation shall be elected annually by the Board at the regular annual meeting of the Board. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, or until his or her death, resignation or removal in the manner hereinafter provided.

SECTION 3 - President

The President shall be the Chief Executive Officer of the Corporation and shall preside at all meetings of the Corporation. He or she shall in general supervise and control all of the business and affairs of the Corporation, subject to the direction and approval of the Board.

The President, in his or her discretion, may establish the Corporation as a central reporting organization in any jurisdiction where legislation is enacted which is similar in nature, scope and provisions to the central organization legislation heretofore enacted in New York and Massachusetts. In exercising his or her discretion, he or she may consider the purposes of the Corporation and the mutual interests of the Corporation, its Members and the general public.

Additionally, the President may execute agreements for the leasing of office space to be used as the headquarters office by the Corporation, or any division or branch thereof, as may be required in the ordinary course of business, and such execution may be attested to by the Secretary. He or she may also sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, any deeds, mortgages, bonds, contracts or other instruments authorized by the Board to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, by these By-Laws or by statute to some other officer or agent of the Corporation. The President shall have the ability to employ such persons as agents and employees of the Corporation as he or she, in his or her sole discretion, feels to be appropriately qualified. He or she shall have the authority to terminate the agency or employment, and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board.

SECTION 4 - Vice President

In the absence of the President or in the event of his or her inability or refusal to act, the Executive Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as may be assigned to him or her by the President or by the Board. The Board may provide for seniority, classification or functional designation of Vice Presidents.

SECTION 5 - Secretary

The Secretary shall keep the minutes of the meetings of the Members and of the Board in one (1) or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be the custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal, is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; and in general perform all duties incident to the office of Secretary and such other duties as may be assigned to him or her by the President or by the Board.

SECTION 6 - Treasurer

The Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII, Section 3, of these By-Laws; and in general perform all the duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the President or by the Board.

SECTION 7 - Removal

Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby.

SECTION 8 - Vacancies

In the event of vacancy in any office because of death, resignation, removal, incapacitation or otherwise, the Chairman shall fill the vacancy for the unexpired portion of the term until the next annual meeting and a successor is elected and qualified.

ARTICLE VI - INDEMNIFICATION

SECTION 1 - Indemnification of Members and Others

The Corporation shall indemnify each Member, and may indemnify such other persons or entities as determined by the Board, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement and amounts actually and reasonably incurred by it in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, in which it has been made a party, or threatened that it would be made a party, by reason of its (a) being a Member of the Corporation, (b) having cooperated with the Corporation in its investigation or (c) having provided information to the Corporation at the initiative of the Member, such other person or entity of the Corporation if such Member (or other person or entity) acted in good faith and in a manner it or he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe its or his or her conduct was unlawful.

SECTION 2 - Indemnification of Governors, Officers, Employees and Agents

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, by reason of the fact that he or she is or was a governor, officer, employee of the Corporation, or who is or was serving at the request of the Corporation as a governor, director, officer, employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Where such action, suit or proceeding is brought by or in the right of the Corporation, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

To the extent that a governor, officer, employee of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in the preceding two paragraphs, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in

connection therewith.

SECTION 3 - Determination as to Indemnification

Any indemnification under Sections 1 or 2 above (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the governor, officer, employee, Member or other person or entity is proper in the circumstances because he or she or it has met the applicable standard of conduct set forth in that Section. Such determination shall be made (a) by the Board by a majority vote of a quorum consisting of governors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested governors so directs, by independent legal counsel in a written opinion, or (c) by the Members entitled to vote.

The Board is authorized to refuse or deny indemnification under Sections 1 or 2 above if the person or entity seeking indemnification has failed to comply with any of these By-Laws, the conditions of membership or any rules adopted by the Board, or if the Board determines that the best interests of the Corporation will not be served by indemnification.

The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person or entity did not act in good faith and in a manner which he or she or it reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action or proceeding, that the person or entity had reasonable cause to believe that his or her or its conduct was lawful. In determining the appropriateness of indemnification, the Board shall not be bound by the allegations of the action, suit or proceeding.

SECTION 4 - Expense Advances

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the governor, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

SECTION 5 - Non-Exclusivity

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of Members or disinterested governors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a governor, officer or employee, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 6 - Liability Insurance

The Corporation may purchase and maintain insurance on behalf of (a) any entity which, or person who, is or was a Member, governor, officer or employee of the Corporation, (b) any person who is or was serving at the request of the Corporation or by their election as a governor, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability or settlement based on asserted liability incurred by such entity or person in any such capacity, or arising out of its or his or her status as such, whether or not the Corporation would have the power to indemnify it or him or her against such liability or settlement under the provisions of this Article.

SECTION 7 - Reports to Membership

If the Corporation has paid indemnity or has advanced expenses under this Article to a Member, governor, officer, employee or any other person or entity, the Corporation shall report the indemnification or advance in writing to the Members with or before the notice of the next meeting of the Members.

SECTION 8 - Certain References

For purposes of this Article, references to "the Corporation" shall include, in addition to the surviving corporation, any merging corporation (including National Automobile Theft Bureau, Inc. and Insurance Crime Prevention Institute and any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its governors, directors, officers, employees, agents or Members so that any person who was a governor, director, officer, employee or agent or Member of such merging corporation, or was serving at the request of such merging corporation as a governor, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the surviving corporation as such person would have with respect to such merging corporation if its separate existence had continued.

For purposes of this Article, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a governor, director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such governor, director, officer, employee, or agent with respect to an employee benefit plan, its participants or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article.

ARTICLE VII - CONTRACTS, CHECKS AND DEPOSITS

SECTION 1 - Contracts

The Board may authorize any officer or officers, agent or agents of the Corporation, in addition to the officer so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2 - Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall be determined by the President or Treasurer or by resolution by the Board. In the absence of such determination by the Board, such instruments shall be signed and countersigned by such persons as the President or Treasurer may designate.

SECTION 3 - Deposits

The funds of the Corporation shall be deposited or kept with one or more banks, trust companies, or other depositories as the President and Treasurer of the Corporation shall jointly approve or as the Board may select, doing business in the United States, except that minimal amounts may be deposited with duly constituted foreign banks to support the Corporation's operations outside the United States. Such funds shall be disbursed upon the order or orders of the President, Secretary, Treasurer or such other person or persons as the President or Treasurer may, from time to time, designate in writing.

ARTICLE VIII - BOOKS AND RECORDS

The Corporation shall keep (a) correct and complete books and records of account, (b) minutes of the proceedings of its Members, the Board and committees having any of the authority of the Board and (c) at the registered or headquarters office a record giving the names and addresses of the Members entitled to vote. All books and records of account of the Corporation may be inspected by any Member, or that Member's agent or attorney, for any proper purpose at any reasonable time.

ARTICLE IX - FINANCIAL YEAR

The financial year of the Corporation shall be January 1, ending December 31.

ARTICLE X - ANNUAL AUDIT

The accounts of the Corporation shall be audited each year by a certified public accounting firm. The written report of the audit shall be furnished to the members of the Board.

ARTICLE XI - CORPORATE SEAL

The Corporation shall have a seal, circular in design, bearing thereon the name of the Corporation and the words "Corporate Seal, Illinois."

ARTICLE XII - WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the GNFPICA or under the provisions of the Articles of Incorporation of the Corporation or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII - GIFTS

The Board may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose for which the Corporation is organized.

ARTICLE XIV - INVESTIGATION

A Member at all times shall be free to conduct its own investigative work and to have another association, agency or person conduct such work on its behalf.

ARTICLE XV - SETTLEMENT OF CLAIMS

Neither the Corporation nor its governors, officers or anyone associated with the Corporation shall participate in any way in the actual settlement of claims submitted to the Corporation for investigation.

ARTICLE XVI - SERVICE AFFILIATES

In those jurisdictions where insurance companies are mandated by public law or regulation to report claims and other information to the Corporation, the Corporation is authorized to accept reports from and to provide its services to non-members as such services relate to the mandated reporting, provided that such non-members shall enter into a reasonable service agreement with the Corporation. Reasonable service fees for non-members shall be established by the President consistent with guidelines established by the Board and subject to the review and approval of the Board. Non-member companies entering into such agreement with the Corporation shall be referred to as "Service Affiliates." Service Affiliates shall not be Members of the Corporation, shall not be afforded voting privileges in the Corporation and shall have no rights to any of the assets or property of the Corporation.

ARTICLE XVII - AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a majority of the governors present at any regular meeting or at any special meeting thereof, provided that at least thirty (30) days' written notice is given to each Member entitled to vote of the Board's intention to alter, amend, repeal or to adopt new By-Laws at such meeting. However, if five percent (5%) or more of such Members serve written notice within such thirty (30) day period to the Corporation of their objection to the proposed change in the By-Laws, the proposed change in the By-Laws must receive the affirmative vote of a majority of the votes present and voted, either in person or by proxy, at an annual or a special meeting of the Members at which a quorum is present.

