Director _____ moved to adopt the following Resolution:

BOARD OF DIRECTORS
ROARING FORK TRANSPORTATION AUTHORITY
RESOLUTION NO. 2020-01

RESOLUTION APPROVING COLORADO INSURANCE RISK SHARING AGENCY (CIRSA) BYLAWS AND INTERGOVERNMENTAL AGREEMENT, AND APPROVING PARTICIPATION AND COVERAGE THROUGH CIRSA FOR THE COVERAGES SET FORTH IN ROARING FORK TRANSPORTATION AUTHORITY'S CURRENT AND SUBSEQUENT APPLICATIONS TO CIRSA

WHEREAS, the Roaring Fork Transportation Authority has reviewed the CIRSA Bylaws and Intergovernmental Agreement ("Agreement"), which constitute a contract to cooperate with other public entities to participate in a self-insurance pool; and

WHEREAS, a copy of said Agreement is attached hereto as Exhibit "A" and incorporated into this resolution; and

WHEREAS, the governing body of Roaring Fork Transportation Authority finds that it is lawfully authorized to self-insure and to participate in a self-insurance pool as set forth in said agreement and that such participation would be in its best interest.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ROARING FORK TRANSPORTATION AUTHORITY

1. The Agreement is hereby approved, and the authorized signatories of the Roaring Fork Transportation Authority are hereby authorized to execute the Agreement.

2. Participation in and coverage through CIRSA shall be for the coverage or coverages set forth in the Roaring Fork Transportation Authority's current application to CIRSA and any future applications to CIRSA.

3. Participation in and coverage through CIRSAS as set forth herein shall take effect on the _____ day of _____, 20___.

4. A copy of this resolution and the executed Agreement shall be transmitted to CIRSA at 3665 Cherry Creek North Drive, Denver, CO 80209.

INTRODUCED, READ AND PASSED by the Board of Directors of the Roaring Fork Transportation Authority at its regular meeting held January 9, 2020.

ROARING FORK TRANSPORTATION AUTHORITY
By and through its BOARD OF DIRECTORS:

By: _____
Art Riddile, Chairman

I, the Secretary of the Board of Directors (the "Board") of the Roaring Fork Transportation Authority (the "Authority") do hereby certify that (a) the foregoing Resolution was adopted by the Board at a meeting held on January 9, 2020; (b) the meeting was open to the public; (c) the Authority provided at least 48 hours' written notice of such meeting to each Director and Alternate Director of the Authority and to the Governing Body of each Member of the Authority; (d) the Resolution was duly moved, seconded and adopted at such meeting by the affirmative vote of at least two-thirds of the Directors then in office who were eligible to vote thereon voting; and (e) the meeting was noticed, and all proceedings relating to the adoption of the Resolution were conducted, in accordance with the Roaring Fork Transportation Authority Intergovernmental Agreement, as amended, all applicable bylaws, rules, regulations and resolutions of the Authority, the normal procedures of the Authority relating to such matters, all applicable constitutional provisions and statutes of the State of Colorado and all other applicable laws.

WITNESS my hand this 9th day of January, 2020.

_____
Nicole R. Schoon, Secretary to the RFTA Board of Directors

Bylaws and Intergovernmental Agreement

ARTICLE I. Definitions. As used in this agreement, the following terms shall have the meanings hereinafter set out:

(1) ADMINISTRATIVE COSTS. All costs of CIRSA other than contributions to a loss fund or a reserve fund.

(2) BOARD. Board of Directors of CIRSA.

(3) BYLAWS. The Bylaws and Intergovernmental Agreement Colorado Intergovernmental Risk Sharing Agency.

(4) CIRSA. The Colorado Intergovernmental Risk Sharing Agency established pursuant to the Constitution and the statutes of this state by this intergovernmental agreement.

(5) CLAIM YEAR. Any twelve consecutive month period established by the Board.

(6) DIRECTOR. A person serving on the Board.

(7) EXCESS INSURANCE. Insurance purchased by CIRSA from an insurance company approved by the Insurance Commissioner of the State of Colorado to underwrite such coverage in Colorado providing certain coverage for losses over a prudent amount up to a pre-set maximum amount of coverage.

(8) EXECUTIVE DIRECTOR. Executive Director of CIRSA.

(9) FISCAL YEAR. January 1 to December 31.

(10) INTERGOVERNMENTAL AGREEMENT. The Bylaws and Intergovernmental Agreement, Colorado Intergovernmental Risk Sharing Agency.

(11) LOSS FUND. A fund or funds of money established by the Board to pay covered losses and loss adjustment expenses.

(12) MEMBERS. The municipalities and other entities which are authorized to participate in CIRSA pursuant to Article VI of these Bylaws and which enter into this intergovernmental agreement.

(13) RESERVE FUND. A fund or funds of money established by the Board to be used as provided in Article IX of this intergovernmental agreement.

(14) STOP LOSS INSURANCE. Insurance purchased by CIRSA from an insurance company approved by the Insurance Commissioner to underwrite such coverage in Colorado providing certain coverage up to a contracted amount for otherwise uninsured losses to be borne by the loss fund, which in any one year aggregate to a pre-set maximum amount of coverage.

ARTICLE II. Creation of CIRSA. The Colorado Intergovernmental Risk Sharing Agency, a separate and independent governmental and legal entity, is hereby formed by intergovernmental agreement by its members pursuant to the provisions of 24-10-115.5, 29-1-201 et seq., 29-13-102, 8-44-101(1)(c) and (3), and 8-44-204, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2).

ARTICLE III. Purposes.

(1) The purposes of CIRSA are to provide members the coverages authorized by law, through joint self-insurance, insurance, reinsurance, or any combination thereof, to provide claims services related to such coverages, and to provide risk management and loss control services to assist members in preventing and reducing losses and injuries.

(2) It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with these Bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA available to pay such liability or loss. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs.

(3) All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

(4) This intergovernmental agreement shall constitute the Bylaws of CIRSA.

ARTICLE IV. Source of Money; Non-Waiver of Immunity.

(1) All CIRSA monies are monies plus earned interest derived from its members.

(2) It is the intent of the members that, by entering into this intergovernmental agreement, they do not waive and are not waiving any immunity or other limitation on liability provided to the members or their officers or employees by any law.

(3) No waiver by a member of any immunity or other limitation on liability provided to the member or its officers or employees by any law shall expand the coverages established by the Board. No member shall waive any such immunity or other such limitation on liability without first notifying CIRSA in writing.

ARTICLE V. CIRSA Powers.

(1) The powers of CIRSA to perform and accomplish the purposes set forth above shall, within the budgetary limits of CIRSA and subject to the procedures set forth in these Bylaws, be the following:

(a) To retain agents, employees and independent contractors.

(b) To purchase, sell, encumber and lease real property and to purchase, sell, encumber or lease equipment, machinery, and personal property.

(c) To invest funds as allowed by Colorado statutes.

(d) To carry out educational and other programs relating to risk management and loss control.

(e) To create one or more loss funds, and to purchase reinsurance, excess insurance and/or stop loss insurance.

(f) To establish reasonable and necessary loss control standards and procedures to be followed by the members.

(g) To provide risk management and claim adjustment or to contract for such services, including the defense and settlement of claims.

(h) To carry out such other activities as are necessarily implied or required to carry out the purposes of CIRSA or the specific powers enumerated in these Bylaws.

(i) To sue and be sued.

(j) To enter into contracts.

(k) To reimburse directors for reasonable and approved expenses, including expenses incurred in attending Board meetings.

(l) To purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of Colorado to do business in Colorado.

(m) To process claims, investigate their validity, settle or defend against such claims within established financial limits, tabulate such claims, costs and losses and carry out other assigned duties.

ARTICLE V.5. Services to Nonmembers.

(1) CIRSA may provide to nonmembers, by intergovernmental agreement, one or more services pertaining to or associated with insurance or self-insurance, loss control, risk management, and claims administration, if such services will not adversely affect the tax exempt status of CIRSA.

(2) The nonmembers to which the services described in paragraph (1) above may be provided shall be limited to governmental entities which are defined as "public entities" under 24-10-103(5), C.R.S., and which are authorized to enter into an intergovernmental agreement for such services pursuant to 29-1-201 et seq., C.R.S.

(3) The intergovernmental agreement described in paragraph (1) above shall comply with 29-1-203(2), C.R.S., and shall be approved by the Board and by the governing body of the nonmember governmental entity to whom the services described in paragraph (1) are to be provided.

(4) Neither the property and liability coverages authorized by 24-10-115.5 and 29-13-102, C.R.S., nor the workers' compensation coverages authorized by 8-44-101(1)(c) and 8-44-204, C.R.S., shall be provided except to entities which meet the requirements for membership inCIRSA and which properly adopt and execute these Bylaws.

ARTICLE VI. Participation.

(1) The membership of CIRSA shall be limited to the following entities which properly adopt and execute this intergovernmental agreement:

(a) Any municipality which is a member of the Colorado Municipal League;

(b) Any city and county which is formed as a result of a change in the status of a CIRSA member from a municipality to a city and county, except that the continued membership of any such member after such a change in status shall be subject to Board approval in the same manner as set forth in subsection (6) of this section for a new member, and shall also be subject to notice to and action by the membership in the same manner as set forth in subsection (7) of this section for a new member; and

(c) Any other entity which meets all of the following requirements:

1. The entity is a "public entity" as said term is defined in C.R.S. 24-10-103(5), as from time to time amended, other than the state, a county, a city and county, or a school district;

2. The entity has, throughout the term of its membership, an intergovernmental agreement in effect with a member municipality for the provision of one or more functions, services, or facilities lawfully authorized to both the entity and the municipality, and such member municipality consents to the entity's participation;

3. Participation by the entity is permitted by applicable state law; and

4. Participation by the entity will not adversely affect the tax-exempt status of CIRSA.

(2) An entity which ceases to have in effect an intergovernmental agreement with a member municipality as required by Section VI.1.b.2 shall cease to be a member as of the last day of the claim year in which the entity ceased to have such agreement in effect.

(3) No representative of any entity other than a member municipality may serve on the Board.

(4) Notwithstanding any other provision of these Bylaws, no proposed amendment to these bylaws to permit a representative of any entity other than a member municipality to serve on the Board shall be effective unless approved by at least two-thirds of the municipalities which are members of CIRSA.

(5) A member may participate in CIRSA for either or both of the following purposes:

(a) The property and liability coverages authorized by 24-10-115.5 and 29-13-102, C.R.S., as amended, and claims services, loss control services, and risk management services related to such coverages; and

(b) The workers' compensation coverages authorized by 8-44-101(1)(c) and (3) and 8-44-204, C.R.S., as amended, and claims services, loss control services, and risk management services related to such coverages.

(6) New members may be admitted only by a vote of the Board, subject to the payment of such sums and under such conditions as the Board shall in each case or from time-to- time establish.

(7) The members shall be notified in writing of each proposed new member. Ten percent (10%) of the members may request a membership meeting to consider admission of a new member. The request shall be in writing and must be received at the CIRSA offices no later than fifteen (15) days after mailing of the notice. If such request is received within the fifteen- (15) day period, a membership meeting shall be called by the Chairman and the new member shall be admitted only by a two-thirds (2/3) vote of the members present at the meeting. A member may waive its right to receive notification of proposed

new members pursuant to this section. The waiver shall be in writing and shall be signed by the mayor or manager or, if there is no manager, the clerk. Such a waiver by a member shall not prevent it from requesting a membership meeting to consider, or from taking any other action under these Bylaws concerning, the admission of a new member.

(8) A member who is participating in CIRSA for one of the purposes set forth in section (5) of this Article may be authorized to participate in CIRSA for the other of those purposes by a vote of the Board, subject to the payment of such sums and under such conditions as the Board shall in each case or from time-to-time establish. Compliance with the provisions of section (7) of this Article shall not be required in connection with the authorization unless such compliance is made a condition of the authorization by a vote of the Board.

ARTICLE VII. Members' Powers and Meetings.

(1) The members at a meeting thereof shall have the power to:

(a) Elect Directors by vote of the members present at the annual meeting.

(b) Amend the Bylaws by a two-thirds (2/3) vote of the members present at a meeting. Notice of any proposed Bylaw amendment shall be mailed to each member at least fifteen (15) days in advance of the vote thereon. An amendment shall take effect immediately unless otherwise provided in the amendment or in the motion to approve the amendment. No Bylaw amendment shall apply to or affect any member which withdraws from CIRSA within fifteen (15) days after approval of the Bylaw amendment and notifies the Board in writing, within such fifteen (15) day period, of its opposition to the Bylaw amendment.

(c) Decide an appeal from an expulsion decision as provided in Article XV, and admit members as provided in Article VI.

(d) Remove a Director by a two-thirds (2/3) vote of the members present at a meeting. Notice of the proposed removal of a Director shall be mailed to each member at least fifteen (15) days in advance of the vote thereon.

(2) Meetings of the members shall be held as follows:

(a) Members shall hold at least one membership meeting annually at a time and place to be set by the Board, with notice mailed to each member at least fifteen (15) days in advance. At least one of said membership meetings shall be held between June 1 and June 30 of each year.

(b) Special meetings shall be held if called by the Board or by a written petition of thirty percent (30%) of the members. Notice of special meetings shall be mailed to each member at least fifteen (15) days in advance.

(c) The Chairman of the Board will preside at the meetings.

(d) Thirty percent (30%) of the total number of members of CIRSA as of the date of any meeting shall constitute a quorum to do business during that meeting.

(e) No absentee or proxy voting shall be allowed.

(f) Each member shall be entitled to one vote on each issue.

(2.5) (a) Notwithstanding any other provision of these Bylaws, in order to accommodate the meeting date provided for in article VII(2)(a), the terms of office of Directors who are elected in December, 2002 shall continue only until June, 2004, and the terms of office of Directors who were elected in December, 2001 shall continue only until June, 2003.

(2.5) (b) This subsection 2.5 is repealed effective December 31, 2003.

ARTICLE VIII. Obligations of Members.

(1) The obligations of members of CIRSA shall be as follows:

(a) To pay promptly all annual and supplementary contributions and other payments to CIRSA at such times and in such amounts as shall be established by the Board pursuant to these Bylaws. Any delinquent payments shall be paid with interest which shall be equivalent to the prime interest rate on the date of delinquency of the bank which invests the majority of the CIRSA funds. Payments will be considered delinquent forty-five (45) days following the due date.

(b) To designate in writing, signed by the Mayor or Manager or, if there is no Manager, the Clerk, a voting representative and alternate for the members' meetings. A member's voting representative must be an employee or officer of the member, but may be changed from time-to-time.

(c) To allow CIRSA and its agents, officers and employees reasonable access to all facilities of the member and all member records, including but not limited to financial records, as required for the administration of CIRSA.

(d) To allow CIRSA and attorneys designated by CIRSA to represent the member in the investigation, settlement and litigation of any claim made against the member within the scope of loss protection furnished by CIRSA.

(e) To cooperate fully with CIRSA's attorneys, claims adjusters and any other agent, employee, or officer of CIRSA in activities relating to the purposes and powers of CIRSA.

(f) To follow the loss control standards and procedures adopted by the Board.

(g) To report to CIRSA, in such form and within such time as CIRSA may require, all incidents or occurrences which could reasonably be expected to result in CIRSA being required to cover a claim against the member, its agents, officers, or employees, or for casualty losses to municipal property, within the scope of coverages undertaken by CIRSA.

(h) To maintain an active safety committee, safety coordinator, or safety contact.

(i) To report to CIRSA, in such form and within such time as CIRSA may require, the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts which will cause material changes in the member's potential loss.

(j) To provide CIRSA, in such form and within such time as CIRSA may require, a completed renewal application.

(k) To participate in coverage of losses and to pay contributions as established and in the manner set forth by the Board.

(l) To the extent permitted by law, each member shall prevent its officers, employees and attorneys from representing voluntarily any person or entity or providing voluntarily any expert testimony or other assistance to any person or entity in any tort claim made or tort action brought against any other member or against any officer, employee or attorney of another member for action taken as an officer, employee or attorney of such other member. The obligation imposed by this paragraph shall not apply where such claim is made or action is brought by a member itself or by an officer or employee thereof acting in an official capacity.

ARTICLE IX. Contributions.

(1) It is the intention of CIRSA to levy contributions from the members as established by the Board.

(2)(a) The contributions may include contributions to a reserve fund. The reserve fund may be used only to pay claims, and expenses related thereto, accepted by the Board pursuant to Article XI (1)(r) for which previous contributions for a claim year are insufficient.

(b) If the reserve fund is so used, the proportionate shares in the reserve fund of those members and former members which were members during the claim year for which claims were paid from the reserve fund shall be correspondingly reduced and the Board shall promptly determine, pursuant to policies adopted by the Board for replenishment contributions, whether replenishment of the reserve fund is necessary and, if so, the allocation among members and former members and the amount and timing thereof.

(c) All members and former members, by virtue of their membership during any claim year, waive the right to assert that the levy of replenishment contributions pursuant to this Article for such claim year is barred by any statute of limitations.

(3) The Board shall annually review and report to the members the contributions to the reserve fund, the earnings thereon and the expenditures therefrom. The Board shall credit members and former members making such contributions, in the same proportions as the contributions were made, all amounts in excess of the amounts which the Board reasonably determines to be necessary to pay claims and expenses related thereto, including sufficient funds for payments which might be made pursuant to Article XI (1)(r). Credits to members may be made in the form of credits against future contributions or in the form of payments, as the Board shall determine. Credits to former or withdrawing members shall be made in the form of payments. No credit shall be given or paid to any member or former or withdrawing member which owes any amount to CIRSA until the amount owing is paid, and any credit or payment to be made under this Article IX (3) may be used to pay such amount.

(4) Any money contributed to any loss fund or for the administrative expenses of CIRSA and not needed for loss fund purposes or administrative expense purposes may be credited to the reserve fund or may be as credited to members and former or withdrawing members, or both, in the manner determined by the Board, except otherwise specifically provided in these Bylaws or in policies adopted by the members as authorized in these Bylaws. Credits to members may be made in the form of credits against future contributions or in the form of payments, as the Board shall determine. Credits to former or withdrawing members shall be made in the form of payments. All credits shall be in similar proportions

as the contributions paid by the members. The Board shall reasonably determine whether money is available for reserve fund credit or contribution credit, or both, and the timing, proportions, and amounts thereof.

(5) No loss fund created for the property and liability coverages authorized by 24-10-115.5 and 29-13-102, C.R.S., as amended, shall be combined or commingled with any loss fund created for the workers' compensation coverages authorized by 8-44-101(1)(c) and (3) and 8-44-204, C.R.S., as amended.

ARTICLE X. Board of Directors.

(1) The Board shall be composed of seven (7) Directors, each from a different member. Directors will be elected from among the members' voting representatives. There will be:

(a) Two Directors, each from a different member under ten thousand (10,000) population

(b) Two Directors, each from a different member of ten thousand (10,000) to forty thousand (40,000) population.

(c) Two Directors, each from a different member above forty thousand (40,000) population.

(d) One Director at large.

(2) Every year population will be determined by the most current available population figures provided by the state Department of Local Affairs.

(3) The election of Directors will be made by the members at the membership meeting to be held between June 1 and June 30 of each year. A Director shall assume office at the first Board meeting held after the election.

(4) Terms of the Directors will be two-year-staggered terms.

(5) Notwithstanding subsections (3) and (4) of this section, commencing with the terms of office of Directors elected at the June, 2010 election, terms of Directors will be four- year-staggered terms, and Director elections shall be held in even-numbered years. In order to maintain staggered terms, terms of office of Directors elected at the June, 2009 election shall be three-year terms.

(6) A vacancy shall exist when a Director resigns, is no longer the member's voting representative, dies, or is removed by the members pursuant to these Bylaws.

(7) No person shall be removed from office as a Director by reason of any change, during the term of office for which such person was elected or appointed, in the population categories described in (1)(a),(b) and (c) of this Article or in the population of the Director's municipality.

ARTICLE XI. Powers and Duties of the Board of Directors.

(1) The Board has the following powers, in addition to any other powers set forth in these Bylaws:

(a) To elect during the first Board meeting held after the election as provided in Article X(3), a chairman, vice chairman, secretary/treasurer and other officers as appropriate. Each officer shall serve until his

or her successor is elected, but there shall be no limit on the number of terms served by any person.

(b) To admit new members as provided in Article VI and to adopt criteria for new members.

(c) To establish contributions to be paid by the members, at such time or times and in such amounts as the Board deems appropriate for the operation of CIRSA and as necessary to ensure the solvency and avoid impairment of CIRSA.

(d) To establish the types of losses to be covered, the limits of liability, and the types of deductions which CIRSA provides.

(e) To select all service providers necessary for the administration of CIRSA.

(f) To set the dates, places and provide an agenda for Board and members' meetings.

(g) To fill vacancies in the Board by majority vote of the remaining Directors for the unexpired term.

(h) To exercise all powers of CIRSA except powers reserved to the members.

(i) To hire and discharge personnel or to delegate such authority to the Executive Director.

(j) To provide for claims and loss control standards and procedures, to establish conditions which must be met prior to the payment or defense of a claim, and to deny a claim or the defense of a claim if the conditions are not met.

(k) To provide for the investment and disbursement of funds.

(l) To establish rules governing its own conduct and procedure and the powers and duties of its officers, not inconsistent with these Bylaws.

(m) To issue subordinated debentures consistent with applicable requirements of the Insurance Commissioner of Colorado.

(n) To form committees and provide other services as needed by CIRSA. The Board shall determine the method of appointment and terms of committee members.

(o) To do all acts necessary and proper for the operation of CIRSA and implementation of these Bylaws subject to the limits of the Bylaws and not in conflict with these Bylaws.

(p) Dissolve CIRSA and disburse its assets by a two-thirds (2/3) vote of the entire membership provided that a notice of intent to dissolve CIRSA shall be given to the Insurance Commissioner at least ninety (90) days prior to the effective date. No such plan to dissolve CIRSA shall be effective until approved by the Insurance Commissioner. Upon dissolution of CIRSA, the assets of CIRSA not used or needed for the purposes of CIRSA, as determined by CIRSA and subject to approval by the Insurance Commissioner, shall be distributed exclusively to municipalities which are members of CIRSA prior to dissolution to be used for one or more public purposes.

(q) To delegate to the Executive Director, by motion approved by the Board, any of the Board's powers and duties, except that the Board may not so delegate its powers to elect officers, admit new members,

establish contributions by the members, fill vacancies in the Board, adopt CIRSA's budget, establish conditions which must be met prior to the payment or defense of a claim, or dissolve CIRSA.

(r) Notwithstanding any other provision of these Bylaws or any limitation on CIRSA coverages, for any claim year since the inception of CIRSA the Board may pay those claims and expenses related thereto which would otherwise be denied for the reason that payment would exceed any applicable specified aggregate limit and available insurance or reinsurance. Any such payment shall be made only from a reserve fund established pursuant to Article IX (2), shall not exceed the amount in the reserve fund, shall be subject to the conditions and requirements of Article IX (2), and shall be consistent with such policy as the members may adopt by a two-thirds (2/3) vote of the members present at a meeting.

(s) To make reports to the members at member meetings or otherwise.

(t) To impose a reasonable fee on a former member for the costs of administration which pertain to that member and which arise after the conclusion of the membership. Such fee may be billed against and deducted from any surpluses that would otherwise be credited to the former member pursuant to Article IX, or may be billed to the former member.

(2) The Board has the following duties, in addition to any other duties set forth in these Bylaws:

(a) To prepare, adopt, and report CIRSA's budget to the members.

(b) To make reports to the members at their meetings.

(c) To provide to members annually an audit of the financial affairs of CIRSA to be made by a Certified Public Accountant at the end of each fiscal year in accordance with generally accepted auditing principles and state law.

(d) To provide to members annually an annual report of operations.

(e) To adopt a policy describing those CIRSA documents and records which are available to CIRSA members and to the public and any limitations thereon.

(f) To provide for payment of covered claims and expenses related thereto in the order in which the amounts become due, until any applicable specified aggregate limit and insurance or reinsurance available for such payment is depleted.

ARTICLE XII. Meetings of the Board of Directors.

(1) The Board may set a time and place for regular meetings which may be held without further notice, and shall establish procedures for notice of special meetings.

(2) Four (4) Directors shall constitute a quorum to do business. All acts of the Board shall require a majority vote of the Directors present.

(3) One or more or all Directors on the Board may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other at the same time. Participation by such means shall constitute

presence at the meeting. No such meeting shall be held unless diligent effort is made to notify all Board members.

(4) Any action of the Board may be taken without a meeting if consent in writing setting forth the action so taken is signed by all Directors then serving on the Board. Such consent shall have the same effect as a unanimous vote and may be executed in counterparts.

ARTICLE XIII. Liability of Board of Directors or Officers. The Directors, officers and committee members of CIRSA should use ordinary care and reasonable diligence in the exercise of their powers, and in the performance of their duties hereunder; they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care. No Director, officer, or committee member shall be liable for any action taken or omitted by any other Director, officer or committee member. CIRSA shall obtain a bond or other security to guarantee the faithful performance of each Director's, officer's and the Executive Director's duties hereunder. CIRSA may use any loss fund to defend and indemnify any Director, officer, committee member or employee for any action made, taken, or omitted by any such person in good faith within the scope of his or her authority for any CIRSA, or may pay for or reimburse the reasonable expenses, including liability expenses and attorneys' fees, incurred by any such person who is a party in a proceeding resulting from such an action, in advance of the final disposition of the proceeding, but any such payment or reimbursement shall be repaid to CIRSA if it is determined that the action was not made, taken, or omitted in good faith or was not within the scope of his or her authority for CIRSA. CIRSA may purchase or otherwise provide for insurance coverage for such Directors, officers, committee members and employees.

ARTICLE XIV. Withdrawal from Membership.

(1) Any member may withdraw from CIRSA by giving prior notice in writing to the Board of the prospective effective date of its withdrawal.

(2) If the effective date of a member's withdrawal is a date other than a January 1, the withdrawing member shall not be entitled to receive any refund of contributions made for administrative costs for the claim year of withdrawal. The withdrawing member shall be entitled to receive within forty-five (45) days after the effective date of withdrawal, a proportionate return of its contribution to any loss fund.

(3) If the effective date of a member's withdrawal is January 1 but the member's written notice of withdrawal is received by CIRSA more than thirty (30) days after the date on which CIRSA mailed a preliminary quote of the contribution to be assessed the member for the year beginning on that January 1, the withdrawing member shall be obligated to pay its share of CIRSA's administrative costs for the year beginning on that January 1. However, if the preliminary quote is mailed by CIRSA prior to September 1, members shall not be obligated for future claim year administrative costs if the member's written notice of withdrawal is received by CIRSA on or before the October 1 preceding the January 1 renewal date.

(4) The members may, by a two-thirds (2/3) vote of the members present at a meeting, adopt or amend a policy establishing additional conditions applicable to members which withdraw.

ARTICLE XV. Expulsion of Members.

(1) A member which fails to make any contribution or other payment due to CIRSA shall be automatically expelled from CIRSA on the sixtieth (60th) day following the due date, unless the member makes a request for extension prior to the sixtieth (60th) day, the request is granted by the Executive Director, and payment

is made within any extended period. A notice of failure to make a contribution or other payment due to CIRSA shall be mailed to the member at least seven (7) days prior to the first date of automatic expulsion. If time for payment is extended by the Executive Director and payment is not made within any extended period, the automatic expulsion shall occur on a date no later than twenty (20) days after the last day of the extended period. An expulsion under this subsection (1) shall not be subject to the provisions of subsection (2).

(2) A member may be expelled by the Board for failure to carry out any other obligation of the member pursuant to these Bylaws, or for failure to address in an effective manner a condition that the Board deems hazardous to the CIRSA membership as a whole, subject to the following:

(a) The member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that expulsion may result if the failure is not so cured.

(b) The member shall receive at least thirty (30) days prior notice from the Board of the date, place and time when the Board will consider expelling the member from the pool, and the member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be expelled. The decision of the Board shall be effective as of the date and upon the terms and conditions set forth in the Bylaws and applicable excess or reinsurance policies and as otherwise specified by the Board, except as provided in paragraph (c) of this Article XV (2).

(c) The member may appeal the Board's decision to the membership. Notice of the appeal shall be provided to each member. The appeal shall be considered by the members only if twenty percent (20%) of the members request the Board, in writing, to schedule a membership meeting on the appeal; otherwise the appeal shall be considered denied. If the appeal will be considered by the members, the Chairman of the Board shall schedule a membership meeting and each member, including the appealing member, shall be provided at least ten (10) days prior written notice of the date, time and place of the meeting. The appealing member shall be entitled to be present at the meeting and to present evidence and reasons why it should not be expelled and the Board may present evidence and reasons why expulsion is proper. The appealing member shall not be counted in determining the number of votes required, nor shall the appealing member be entitled to vote on the appeal. The decision of the members shall be by majority vote of those present at the meeting and shall be final, and any expulsion shall be effective as of the date and upon the terms and conditions set forth in the Bylaws and applicable excess or reinsurance policies, and as otherwise specified by the members.

(3) The members may, by a two-thirds (2/3) vote of the members present at a meeting, adopt or amend a policy establishing requirements applicable to members which are expelled.

ARTICLE XVI. Conditions of Withdrawal and Expulsion.

(1) A withdrawn or expelled member shall remain obligated for all amounts owing prior to withdrawal or expulsion from CIRSA and for all amounts which thereafter become owing pursuant to CIRSA Bylaws and policies adopted by the members which are in effect at the time of withdrawal or expulsion including, but not limited to, contributions levied pursuant to Article IX (2) of the CIRSA Bylaws.

(2) A withdrawn or expelled member is considered a member of CIRSA for the purpose of payment of the member's claims and expenses related thereto which remain covered under the terms of CIRSA's excess policies. A withdrawn or expelled member shall remain subject to all conditions of coverage and

obligations of a member under CIRSA Bylaws, insurance or reinsurance policies, and policies adopted by the members which are in effect at the time of withdrawal or expulsion. A withdrawn or expelled member shall have no right to vote on any matter pending before the CIRSA membership.

(3) Except as otherwise provided in these Bylaws:

(a) A withdrawn member shall retain all rights of a withdrawn member under CIRSA Bylaws and policies adopted by the members which are in effect at the time of the withdrawal;

(b) An expelled member shall retain all rights of an expelled member under CIRSA Bylaws and policies adopted by the members which are in effect at the time of the expulsion; and

(c) No withdrawn or expelled member may be adversely affected by any change in such Bylaws or policies adopted subsequent to the effective date of the member's withdrawal or expulsion.

(4) An expelled member shall have no right to be credited for any amounts pursuant to Article IX (3) or (4) of the Bylaws. Any such amounts that would have been credited but for the expulsion shall be redistributed among those members who were members on the effective date of such member's expulsion, in similar proportions as the contributions paid by those members.

(5) Unless disapproved by an affected insurance or reinsurance carrier, CIRSA shall offer a withdrawing member, no later than forty-five (45) days after CIRSA's receipt of the written notice of withdrawal, at least twenty-four (24) months of extended reporting period on any claims-made coverage provided through CIRSA, at a cost reasonably calculated by CIRSA and subject to any contract terms existing at withdrawal.

ARTICLE XVII. General.

(1) This document shall constitute an intergovernmental contract among the members of CIRSA. The terms of this contract may be enforced in court by CIRSA itself or by any of its members.

(2) The consideration for the duties herewith imposed upon the members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the members set forth herein.

(3) A certified copy of the ordinance, resolution or other document of approval for each member, accompanied by an attorney's certification of proper authority and adoption, shall be attached to the original Bylaws on file with CIRSA. These Bylaws may be executed in counterparts.

(4) Except to the extent of the limited financial contributions to CIRSA agreed to herein or such additional obligations as may come about through amendments to these Bylaws, no member agrees or contracts herein to be held responsible for any claims in tort or contract made against any other member. The contracting parties intend in the creation of CIRSA to establish an organization only within the scope herein set out, and have not herein created as between member and member any relationship of surety, indemnification or responsibility for the debts of or claims against any other member.

(5) In the event that any article, provision, clause or other part of these Bylaws should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other articles, provisions, clauses, applications or occurrences, and these Bylaws are expressly declared to be severable.

As Amended June 20, 2012

ATTEST: _____

_____
Name

_____
Title

_____
Date

By: _____

_____
Title

_____
City/Town

_____
Date