

**APPLICATION FOR APPROVAL OF AN
AGREEMENT AND PLAN OF CONVERSION AND MERGER**

Filed with the Pennsylvania Department of Insurance

by

Community Insurance Company and
Protection Mutual Insurance Company of Littlestown

Date: January 3, 2023

Name, title, address, telephone number, and e-mail address of individual to whom notices and correspondence concerning this statement should be addressed:

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ITEM 1. BACKGROUND STATEMENT

This Application is submitted to the Pennsylvania Department of Insurance (the “**Department**”) by Community Insurance Company (“**Community**”) and Protection Mutual Insurance Company of Littlestown (“**Protection**”).

Protection’s statutory home office and main administrative office is located at 101 South Queen Street, Littlestown, PA 17340. Protection’s NAIC number is 27278. Protection is a Pennsylvania domiciled mutual insurance company and is controlled by its policyholder-members.

Community’s statutory home office and main administrative office is located at 1047-49 Hamilton Street, Allentown, PA 18101. Community’s NAIC number is 17485. Community is a stock insurance company controlled by its sole shareholder, Charter Lane Holdings, LLC (“**Charter Lane**”), whose sole member is Community Holdings Management, Inc. (“**CHM**”), a mutual holding company.

Protection and Community propose to enter into an Agreement and Plan of Conversion and Merger through which Protection will convert to a stock insurance company and immediately thereafter merge with and into Community (the conversion and merger being collectively referred to herein as the “**Merger**”). The Merger would be accomplished pursuant to the alternative plan provisions of the Insurance Company Mutual-to-Stock Conversion Act, 40 P.S. Sections 911-A, et seq. (the “**Act**”).

ITEM 2. DESCRIPTION OF THE PROPOSED MERGER

Merger of Protection With and Into Community

The respective Boards of Directors of Protection and Community determined and believe the Merger is in the best interests of their respective companies, Protection’s members and Charter Lane (Community’s sole shareholder) respectively, and their insureds to combine into a single insurance company. Protection is a small mutual insurance company, having \$428,279 in gross written premium and policyholders’ surplus of \$492,233 in 2021. Community is an affiliate in a mutual insurance holding company, Community Holdings Management, Inc. (“**CHM**”), and through the Merger Protection’s members will become members of CHM. By combining into a single insurance company, the companies can reduce certain operating costs and increase their competitive position in a manner that furthers the interests of both companies.

Therefore, at a meeting of Community’s Board of Directors duly called and held on December 6, 2022 (the “**Adoption Date**”), and by Unanimous Written Consent of Protection’s directors effective on the Adoption Date, the Boards of Directors of Protection and Community unanimously approved the Merger and adopted an Agreement and Plan of Conversion and Merger (the “**Plan**”). Pursuant to the Plan, Protection will convert to a stock insurance company and immediately thereafter merge with and into Community, with Community surviving the Merger. A copy of the Plan accompanies this Application as **Exhibit 1**, and a diagram showing the post-Merger relationship among the companies is included with this Application as **Exhibit 2**.

Protection and Community hereby specifically request approval of the Merger.

Corporate Governance

As a result of the Merger, the sole shareholder of Community will continue to control Community as a result of the sole shareholder’s ownership of all of the issued and outstanding shares of common stock of Community. Through the Merger, Protection’s members will become members of CHM.

The current Articles of Incorporation and Bylaws of Protection, Community, and CHM, as well as the proposed form of the Articles of Merger accompany this Application in **Exhibit 3** and are identified below under “Submission of Required Documents.”

Assuming the policyholders of Protection and CHM approve the Plan and Protection is merged into Community, the Board of Directors of Community will remain as currently constituted. Thereafter, the Board will be appointed by CHM as the sole member of Charter Lane, which is the sole member of Community.

Additional detail on the individuals serving on the Boards of Directors and as the principal officers of the entities involved in the Merger is found in **Exhibit 4** of this Application.

Acquisition of Control Statement

Loudoun Mutual Insurance Company, a Virginia mutual insurance company, is currently the Ultimate Controlling Person of Community. A Form A – Statement Regarding the Acquisition of Control of or Merger With a Domestic Insurer, is being filed with the Department contemporaneously with this Application.

Effect of the Merger on Operations

In general, the proposed Merger will cause no changes to the operations of Protection or Community. Only the corporate organization matters discussed in this Application will change.

Submission of Required Documents

In accordance with the provisions of the Act, we are enclosing for filing the following documents:¹

Exhibit 1: Agreement and Plan of Conversion and Merger as unanimously adopted by the Board of Directors of Protection and Community

Exhibit 2: Organization Chart depicting the holding company structure following the Merger

Exhibit 3: Articles of Incorporation and Bylaws of Protection, Community, and CHM, as well as the proposed form of the Articles of Merger

Exhibit 4: Roster of directors and officer of Community upon completion of the Merger

Exhibit 5: Proxy Materials: Contains the form of notice of the policyholders meeting of Protection, and the form of proxy to be solicited from eligible members of Protection.

Exhibit 6: Notices to Policyholders: Contains the forms of notice to persons who were policyholders of Protection after the date of adoption of the Plan and persons becoming policyholders of Protection after the date of adoption of the Plan.

Exhibit 7: Unanimous Written Consent in Lieu of Meeting of Sole Shareholder of Community approving the proposed Merger (Draft)

Filing Fee

Community will pay the applicable filing fee upon notice by the Department.

¹ Exhibits to this Application do not include their own Exhibits if such Exhibits are otherwise submitted with this Application.

ITEM 3. SIGNATURES AND CERTIFICATIONS

Applicant Protection Mutual Insurance Company of Littlestown has caused this Application to be duly signed on its behalf by its President in the County of Adams and Commonwealth of Pennsylvania on JAN 13th, 2023.

PROTECTION MUTUAL INSURANCE
COMPANY OF LITTLESTOWN

Attest by Officer of Protection:

(Seal)

By: Ronald E. Dehoff
Ronald E. Dehoff, President

By: Michele A. Lowman
Michele A. Lowman Vice President-Treasurer
Print Name and Title

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached Application dated JAN 13th, 2023, for and on behalf of Protection Mutual Insurance Company of Littlestown; that he is the President of such company, and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

By: Ronald E. Dehoff
Name: Ronald E. Dehoff
Title: President

Applicant Community Insurance Company has caused this Application to be duly signed on its behalf by its President in the County of Lehigh and Commonwealth of Pennsylvania on

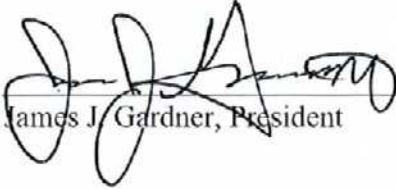
JANUARY 10, 2023.

COMMUNITY INSURANCE COMPANY


Attest by Officer of Community:

(Seal)

By:


James J. Gardner, President

By:


MATTHEW A. SPINDLER Vice
Print Name and Title President

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached Application dated January 10, 2023, for and on behalf of Community Insurance Company; that he is the President of such company, and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

By:



Name: James J. Gardner
Title: President

EXHIBIT 1

Agreement and Plan of Conversion and Merger

(see attached)

AGREEMENT AND PLAN OF CONVERSION AND MERGER

This Agreement and Plan of Conversion and Merger (this “*Agreement*”) dated as of December 6, 2022, is entered into by and between Community Insurance Company, a Pennsylvania stock insurance company (“*CIC*”), and Protection Mutual Insurance Company of Littlestown, a Pennsylvania mutual insurance company (“*PMIC*”).

RECITALS:

WHEREAS, *CIC* is a stock property and casualty insurance company domiciled in Pennsylvania; and

WHEREAS, *PMIC* is a mutual insurance company domiciled in Pennsylvania; and

WHEREAS, Charter Lane Holdings, Inc. is a Pennsylvania corporation and the sole shareholder of *CIC*; and

WHEREAS, Community Holdings Management, Inc. (“*CHM*”) is a mutual holding company domiciled in Pennsylvania and is the sole shareholder of Charter Lane Holdings, Inc.; and

WHEREAS, *CHM*’s members were formerly members of other Pennsylvania-domiciled mutual insurance companies, and became members of *CHM* through mutual-to-stock conversion transactions under the Pennsylvania Insurance Company Mutual-to-Stock Conversion Act¹ (the “*Act*”); and

WHEREAS, Section 917-A of the Act expressly provides that a mutual insurance company may convert into a stock company and then, subsequently, merge into another stock insurance company, and also provides for the use of various forms of consideration in such a merger; and

WHEREAS, pursuant to the transactions contemplated by this Agreement and on the terms and subject to the conditions set forth herein, *PMIC*, in accordance with Section 331(a) of the Pennsylvania Associations Code, *as amended* (the “*PAC*”), *PMIC* will convert to a stock insurance company and immediately thereafter merge with and into Community (the conversion and merger being collectively referred to herein as the “*Merger*”); and

WHEREAS, for United States federal income tax purposes, the Parties intend to the fullest extent applicable that the Merger qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Parties desire to enter into the transactions contemplated by this Agreement; and

WHEREAS, on December 6, 2022, the respective Boards of Directors of *CIC* and *PMIC* after careful study and consideration, unanimously approved this Agreement (collectively, the “*Constituent Board Approvals*”) providing for the conversion of *PMIC* to a stock insurance

¹ 40 P.S. §§ 911-A *et seq.*

company and the subsequent merger of PMIC with and into CIC, with CIC continuing as the surviving stock insurer (the “*Merger*”); and

WHEREAS, following the approval of the Merger by the Pennsylvania Department of Insurance, the members of PMIC and the sole shareholder of CIC will consider the approval of this Agreement providing for the Merger; and

WHEREAS, CIC and PMIC (collectively, referred to hereinafter as the “*Constituent Corporations*”) desire to provide for the terms and conditions of the Merger.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements, provisions, covenants, and grants herein contained, the parties hereby agree as follows:

ARTICLE 1 THE MERGER

1.1. Effective Time. Subject to Section 4.2 of this Agreement, and further subject to and conditioned upon the receipt of each of the Merger Approvals (as defined below) and as soon as practicable thereafter, the Surviving Company (as defined below) shall execute and file with the Pennsylvania Secretary of State a Statement of Merger consistent with the terms of this Agreement and the requirements of Pennsylvania law. The Merger shall become effective upon the filing of such Statement of Merger with the Pennsylvania Secretary of State. (The date and time that the Merger becomes effective is referred to as the “*Effective Time*.”)

1.2. The Merger. At the Effective Time, PMIC shall be merged with and into CIC and the separate existence and organization of PMIC shall cease and thereupon CIC and PMIC shall become a single company.

ARTICLE 2 THE SURVIVING COMPANY

2.1. Surviving Company. CIC shall be the surviving company in the Merger (hereinafter called the “*Surviving Company*”) and shall continue to be governed under the laws of the Commonwealth of Pennsylvania. The name of the Surviving Company is Community Insurance Company.

2.2. Articles of Incorporation and Bylaws. The Articles of Incorporation of CIC as in effect immediately prior to the Effective Time and attached hereto as **Exhibit A** shall be and continue to be the Articles of Incorporation of the Surviving Company, until the same shall be amended and changed as provided by law. The Bylaws of CIC as in effect immediately prior to the Effective Time and attached hereto as **Exhibit B** shall be and continue to be the Bylaws of the Surviving Company, until the same shall be amended and changed as provided by law. Each of **Exhibit A** and **Exhibit B** attached hereto is incorporated by reference into this Agreement and made a part hereof.

2.3. Directors and Officers. The members of the Board of Directors and the officers of CIC immediately prior to the Effective Time shall be the members of the Board of Directors and officers, respectively, of the Surviving Company, and they shall continue to hold office until

their respective successors have been elected and shall qualify pursuant to the Bylaws of the Surviving Company or until their respective resignation or removal.

ARTICLE 3 EFFECTS OF THE MERGER

3.1. Cancellation of PMIC Membership Interest; Continuation of CIC Capital Stock. At the Effective Time, and without any action on the part of either of the Constituent Corporations, all membership interests in PMIC immediately prior to the Effective Time shall be cancelled and shall cease to exist. In exchange for the membership interest held by each member of PMIC, at the Effective Time each member of PMIC immediately prior to the Effective Time shall become a member of CHM. At the Effective Time, and without any action on the part of either of the Constituent Corporations, all shares of the capital stock of CIC issued and outstanding immediately prior to the Effective Time shall be unchanged and thereupon shall remain outstanding as shares of capital stock of the Surviving Company.

3.2. Authorization to Conduct Insurance Business. Following the Merger, CIC, as the Surviving Company, shall continue to meet all the requirements for authorization to engage in property and casualty insurance business in the Commonwealth of Pennsylvania and all other jurisdictions in which CIC is licensed and shall have all of the rights, privileges, immunities and powers of, and shall be subject to all of the duties and liabilities granted to, and imposed upon, such insurance companies by law.

3.3. Effect of the Merger. At the Effective Time,

(a) The Surviving Corporation shall possess all the rights, privileges, immunities, powers, and franchises of a public as well as of a private nature of each of the Constituent Corporations.

(b) The Surviving Corporation shall be subject to all the restrictions, disabilities, and duties of each of the Constituent Corporations.

(c) All and singular, the rights, privileges, powers, and franchises of each of the Constituent Corporations, all property, real, personal, and mixed, and all debts or obligations due on whatever account to either of the Constituent Corporations, all stock subscriptions as well as all other things in action or belonging to each of the Constituent Corporations, and all and every other interest of, or belonging to or due to, each of the Constituent Corporations shall be taken and deemed to be transferred to and vested in such Surviving Company without further act or deed.

(d) The membership interests of the members of PMIC are canceled as provided in this Agreement, and the members of PMIC thereafter possess only the rights provided to them under this Agreement.

(e) A member of PMIC has liability with regard to CHM only to the extent provided by law applicable to CHM and only for those debts, obligations, and other liabilities that arise after the Merger becomes effective.

(f) A member of PMIC ceases to have liability with regard to PMIC as follows:

(1) the Merger does not discharge any member's liability under Pennsylvania law that arose before the Merger became effective;

(2) the member does not have liability under Pennsylvania law for any debt, obligation, or other liability that arises after the Merger becomes effective;

(3) the law of Pennsylvania continues to apply to the release, collection, or discharge of any liability of a member of PMIC preserved under paragraph (1) as if the Merger had not occurred;

(4) a member of PMIC has whatever rights of contribution from any other person as are provided by Pennsylvania law other than the Entities Transaction Law with respect to any liability preserved under paragraph (1) as if the Merger had not occurred.

3.4. No Impairment of Obligation. On and after the Effective Time, all debts, obligations, and other liabilities of the respective Constituent Corporations shall attach to the Surviving Company and may be enforced against it to the same extent as if such debts, liabilities, and duties had been incurred or contracted by it. Any claim existing or an action or a proceeding, whether civil, criminal, or administrative, pending by or against either of the Constituent Corporations, may be subject to judgment as if the Merger had not taken place, or the Surviving Company may be proceeded against or substituted in any such action or proceeding. All rights of creditors and of any other persons dealing with the Constituent Corporations, and all liens upon the property of either of the Constituent Corporations shall be preserved unimpaired by the Merger, but such liens shall be limited to the property upon which they were liens immediately prior to the time of such Merger. Any reference to either of the Constituent Corporations in any contract, will, or other document, whether executed or taking effect before or after the Effective Time, shall be considered a reference to the Surviving Company if not inconsistent with the other provisions of the contract, will or document.

3.5. Further Assignment. If at any time the Surviving Company shall deem or be advised that any further assignment or assurances in law or things are necessary or desirable to vest or to perfect or confirm, of record or otherwise, in the Surviving Company the title to any property of PMIC acquired or to be acquired by reason of or as a result of the Merger provided by this Agreement, PMIC and its proper officers and directors shall and will execute and deliver any and all such proper deeds, assignments, and assurances in law and do all things necessary or proper so to vest, perfect, or confirm title to such property in the Surviving Company and otherwise to carry out the purposes of this Agreement.

3.6. Additional Effects of Merger. In addition to the effects of the Merger set forth in this Article III, the Merger shall have all other effects specified by the applicable provisions of Sections 336 and applicable provisions of the PAC.

[continued on following page]

ARTICLE 4 OTHER PROVISIONS

4.1. Merger Approvals. This Agreement shall be submitted for approval by the Pennsylvania Insurance Commissioner pursuant to Section 991.1402 of the Pennsylvania Insurance Laws (collectively, together with the Constituent Board Approvals and the approvals of the members of PMIC and the sole shareholder of CIC, the “*Merger Approvals*”). The filing with the Pennsylvania Insurance Commissioner shall be accompanied by a proposed Statement of Merger pursuant to Section 335 of the PAC and in compliance with Section 331*et seq.* of the PAC.

4.2. Abandonment. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be abandoned at any time prior to the Effective Time by mutual consent of the Constituent Corporations pursuant to action taken by their respective Boards of Directors.

4.3. Expenses. The Surviving Company shall pay all the expenses of carrying this Agreement into effect and of accomplishing the Merger.

4.4. Counterparts. For the convenience of the parties and to facilitate the filing or recording of this Agreement, any number of counterparts hereof may be executed, and each such executed counterpart shall be deemed to be an original instrument.

4.5. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the Merger and the other transactions contemplated hereby.

4.6. Amendment. This Agreement may only be amended or modified (a) prior to the Effective Time and subject to the limitations stated in Subsection 334 of the PAC, (b) by mutual consent of the Constituent Corporations pursuant to action taken by their respective Boards of Directors, (c) as evidenced by written amendment to this Agreement and signed by the parties hereto, and (d) subject to any applicable requirements under Pennsylvania law requiring the corresponding amendment of any filing with a state regulatory agency seeking a Merger Approval.

4.7. Governing Law. This Agreement shall be construed and interpreted according to the laws of the Commonwealth of Pennsylvania.

4.8. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

4.9. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other party.

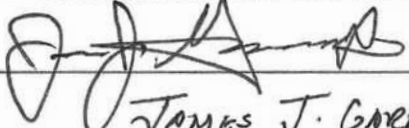
4.10. Headings. The Section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

4.11. Severability. If any portion of this Agreement shall be determined by any court of competent jurisdiction to be unenforceable, the unenforceable term or provision shall be stricken or interpreted in such manner as may be necessary to permit it to be enforceable, and the remaining portions of this Agreement shall be enforced in accordance with their respective terms.

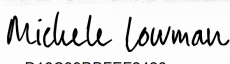
[signature page follows]

IN WITNESS WHEREOF, the Constituent Corporations have caused this Agreement to be executed as of the date first above written.

COMMUNITY INSURANCE COMPANY

By: 
Name: JAMES J. GARDNER
Title: PRESIDENT

PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN

By: 
Name: Michele Lowman
Title: Vice President-Treasurer

Signature Page to Agreement and
Plan of Conversion and Merger

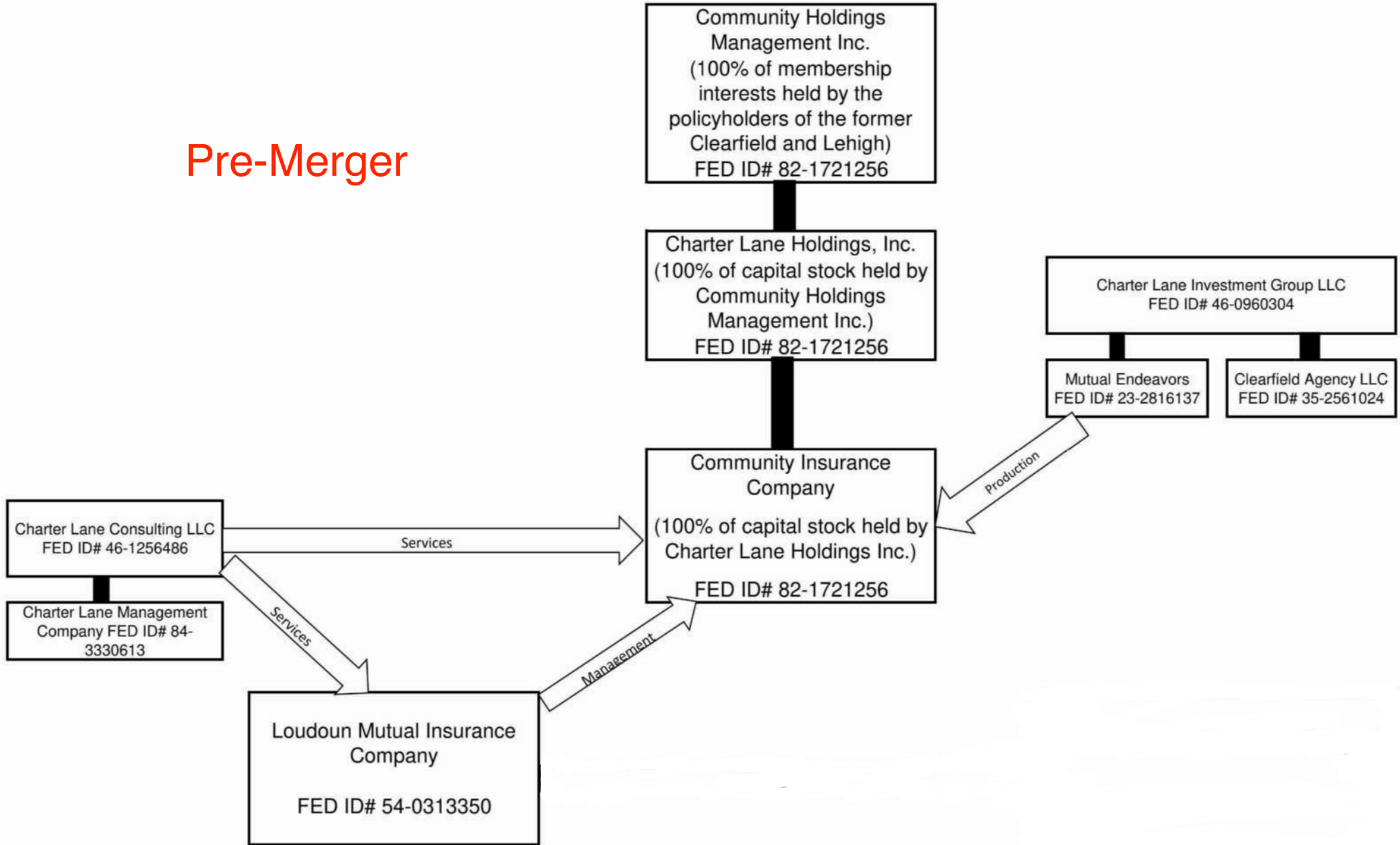
EXHIBIT 2

Organization Chart

(see attached)

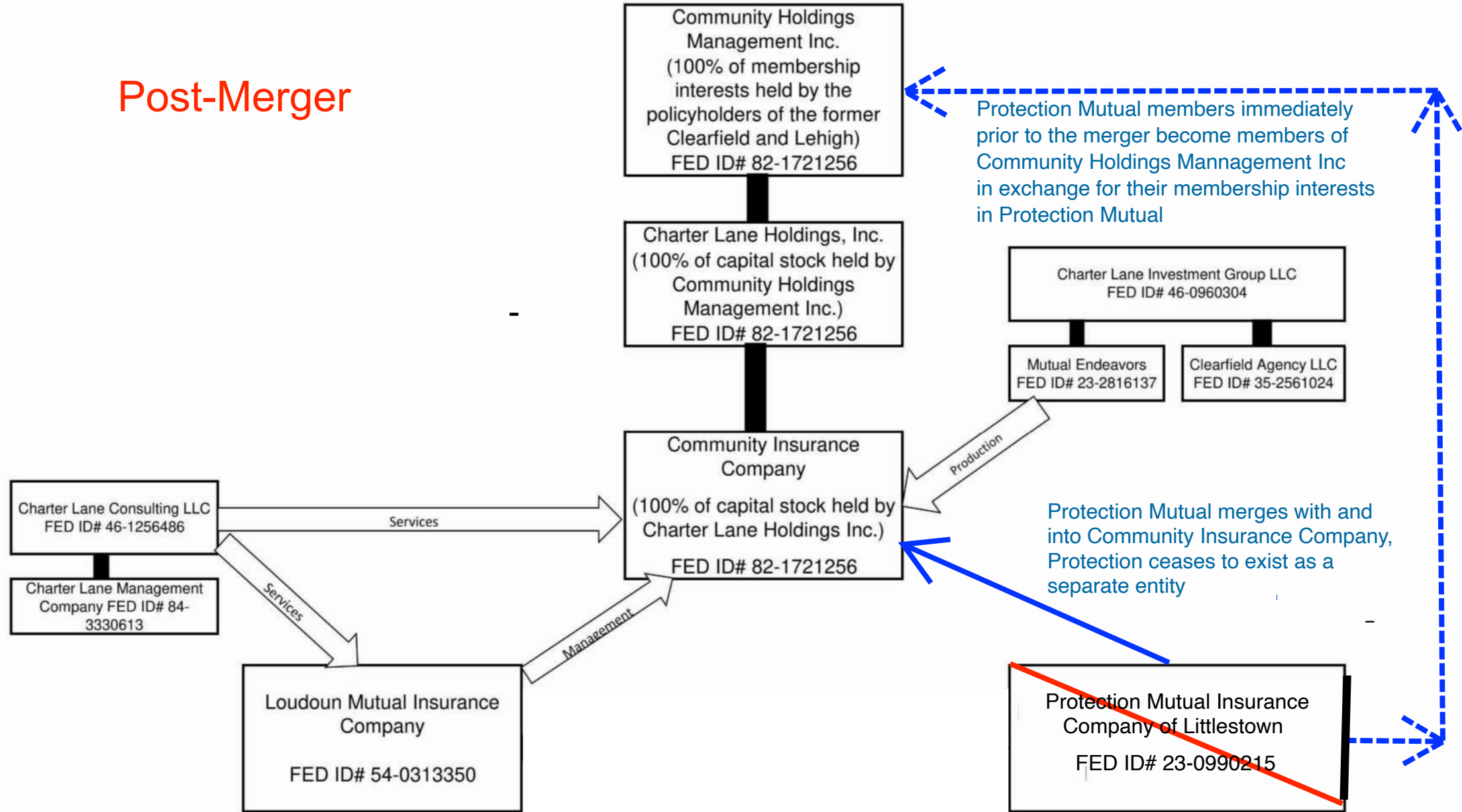
ORGANIZATION CHART - COMMUNITY HOLDINGS MANAGEMENT INC.

Pre-Merger



ORGANIZATION CHART - COMMUNITY HOLDINGS MANAGEMENT INC.

Post-Merger



Protection Mutual members immediately prior to the merger become members of Community Holdings Management Inc in exchange for their membership interests in Protection Mutual

Protection Mutual merges with and into Community Insurance Company, Protection ceases to exist as a separate entity

EXHIBIT 3

Articles of Incorporation of Protection Mutual Insurance Company of Littlestown
Bylaws of Protection Mutual Insurance Company of Littlestown

Articles of Incorporation of Community Insurance Company
Bylaws of Community Insurance Company

Articles of Incorporation of Community Holdings Management, Inc.
Bylaws of Community Holdings Management, Inc.

Proposed Form of Amended and Restated Articles of Incorporation of
Protection Insurance Company of Littlestown
(to be Filed with Pennsylvania Secretary of State)

Proposed Form of Statement of Merger
(to be Filed with Pennsylvania Secretary of State)

(see attached)

Articles of Incorporation of
Protection Mutual Insurance Company of Littlestown

No. 289.

AN ACT

To incorporate the Protection Mutual Fire Insurance Company of Littlestown, in the county of Adams.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, That* Joseph A. Shorb, Enoch Lefever, Jacob Sterner, Samuel Diller, Joseph L. Shorb, John Spangler, George Bashoar, and all other persons who may hereafter associate with them in manner hereinafter prescribed, shall be a body politic and corporate, by the name of "The Protection Mutual Fire Insurance Company of Littlestown," and by that name shall have perpetual succession, and may sue and be sued, and hold, purchase, receive, and convey real and personal estate (with the limitations hereinafter specified), and may have and use a common seal, and alter or change the same at pleasure, and make by-laws not inconsistent with any existing law for the management of its property and the regulation of its affairs; but nothing herein contained shall be construed to give unto the said corporation any banking powers or privileges.

Commissioners.

Style.

Privileges.

SECTION 2. That in addition to the general powers and privileges of a corporation as the same are declared by the foregoing section, the corporation hereby erected shall have power to insure against losses by fire upon any house, tenement, barn, manufactory, store, warehouse, or any other building, and on goods, wares, merchandize and effects, hay, grain, and other agricultural products contained therein, and upon buildings generally, and to make, execute, and perfect such and so many contracts, bargains, agreements, policies, and other instruments as shall or may be necessary, and as the nature of the case may require; *Provided*, That no policy of insurance shall be granted by said company upon any house, tenement, or upon any other property upon which policies of insurance may issue under this act, when the same is beyond the limit of six miles from the said town of Littlestown.

Further powers.

SECTION 3. That the real estate which it shall be lawful for said corporation to purchase, receive, hold, and convey, shall be such as is necessary for the immediate transaction of its business, or which shall be conveyed to it in payment of debts due the company.

SECTION 4. That all persons who shall hereafter insure with the said corporation, and also their heirs, executors, administrators and assigns, continuing to be insured in said corporation as is hereinafter provided, shall thereby become members thereof during the period they are insured and no longer.

SECTION 5. That the affairs of said company shall be managed by a board of directors consisting of seven members, to be elected and to serve as hereinafter provided; which board shall elect from its own number one person as president and one person as treasurer and secretary of the board, of whom they shall require such security as they may provide by their by-laws, and may employ such other officers as

Organization.

are necessary for the transactions of the business of the company, and shall also determine the rates of insurance, and sums to be insured. A majority of said board shall constitute a quorum to do business.

Elections.

SECTION 6. That the members of the company shall, on fifteen days' notice in one newspaper published nearest to Littletown, meet at the house of Joseph Barker, in said town, or at such a place thereafter designated by a majority of the voters present at any stated meeting on the first Saturday in May in each year, for the purpose of holding an election for directors; and such election shall be directed by the by-laws of said corporation, each member being entitled to one vote, and in case of death, removal, or resignation of any of the board of directors, the board shall have power to fill such vacancy until the ensuing election.

Persons becoming members to deposit fifty cents, &c.

SECTION 7. That every person who shall become a member of this company by effecting insurance therein, shall before he receives his policy deposit with the treasurer the sum of fifty cents for every thousand dollars worth of property he shall have insured, and so in proportion for a less or greater sum, and twenty-five cents for the policy for the purpose of defraying such incidental charges as shall be necessary for transacting the business of said company; and it shall be lawful for said company to loan such portion of the said money on hand as may not be immediately wanted for the purposes of said company in such manner as a majority of the board of directors shall designate.

Expenses.

SECTION 8. That every member of said company shall be bound to pay for losses and such necessary expenses aforesaid accruing in said company in proportion to the amount of property insured by him or her.

Losses, how paid.

SECTION 9. That the directors, after ascertaining the amount of loss or damage by fire sustained by any of its members in such manner as they by their by-laws may prescribe, shall settle and determine the amount paid by each member as his or her respective share of such loss or damage, and the members shall pay the same to the treasurer of the company within thirty days after being notified thereof; on neglect or refusal to pay the same assessed on him or her as a portion of any loss as aforesaid, said company may sue for and recover the said amount with costs of suit.

Suits.

SECTION 10. That suits at law may be prosecuted and maintained by any member against the said company for losses and damages by fire, if payment be withheld or refusal for more than three months after the company are notified of such losses. No member of the company not being in his individual capacity a party to the suit or suits shall be incompetent as a witness on account of his being a member of the company.

Detail of finances.

SECTION 11. That it shall be the duty of the treasurer of the said company at the annual meeting provided for in the sixth section, to exhibit in detail the condition of the finances of said company, and the names of the person or persons to whom the funds of the company have been loaned, and it shall also be the duty of the said treasurer and secretary of the company at the annual meeting aforesaid, or whenever a majority of the board of directors shall require it, to produce all such books and papers as appertain to the business of the company.

First board of directors.

SECTION 12. That the persons named in the first section of this act shall constitute the first board of directors of said company until the first Saturday of May, one thousand eight hundred and fifty-one, or until others are elected in their stead.

Section 13. That the Legislature may at any time alter, modify, Reservation.
and its provisions, in such manner, however, as to do no injustice
to the applicants.

JOHN CESSNA,
Speaker of the House of Representatives.

BENJAMIN MATTHIAS,
Speaker of the Senate.

APPROVED—The fifteenth day of February, A. D., one thousand
and fifty-one.

WM. F. JOHNSTON.

No. 1182.

A Supplement

To the act, entitled "An Act to incorporate the Protection Mutual Fire Insurance Company of Littlestown, in the county of Adams," approved February fifteenth, one thousand eight hundred and fifty-one.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That in addition to the powers and privileges conferred upon said company by the second section of the act incorporating said company, the said corporation shall have power to insure against losses by fire upon horses, cattle and all other live stock contained within any buildings insured in said company, or any enclosures adjoining said buildings, subject to the act incorporating said company, and the rules, regulations and by-laws adopted for the government thereof.

JAMES H. WEBB,

Speaker of the House of Representatives.

WILLIAM A. WALLACE,

Speaker of the Senate.

APPROVED—The eighteenth day of May, Anno Domini one thousand eight hundred and seventy-one.

JNO. W. GEARY.

8729 '582

CERTIFICATE OF AMENDMENT
OF THE ARTICLES OF AGREEMENT OF
PROTECTION MUTUAL FIRE INSURANCE COMPANY OF LITTLESTOWN

#292450

In compliance with the requirements of Sections 322 of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, Protection Mutual Fire Insurance Company of Littlestown (hereinafter referred to as the "Company") hereby certifies under the signature of its President, whose name appears hereunder and under its common seal, duly attested by its Secretary that:

(1) The Company is a Pennsylvania mutual insurance company incorporated in February 15, 1851.

(2) On October 22, 1986, at a duly convened meeting of the Board of Directors held at the Company's home office, at which a majority of its members were present, the Directors unanimously adopted resolution authorizing the Amendment of Charter to delete the word "Fire" from the Company's name in Article 1; and declared the annual meeting of the policyholders to be the meeting to consider the amendment of its Articles of Agreement.

(3) The notice of the annual meeting to amend the Charter was advertised in the Gettysburg Times and The Evening Sun, both newspapers of general circulation, and in the Adams County Legal Journal in conformity with the Insurance Company Law of 1921, proof of which is attached hereto.

(4) At the annual meeting of the members, duly held on January 3, 1987 at the Company's home office in Littlestown, Pennsylvania, there were 23 votes cast in person in favor of the Resolution, with no dissenting votes cast against the Resolution. Whereupon more than 2/3 of the votes were in favor of the Resolution, the amendment was adopted by the members of Protection Mutual Fire Insurance Company of Littlestown.

(5) The Amendment to Article No. 1 of the Company's Charter adopted by the Board of Directors at its meeting of October 22, 1986 and by the Company's policyholders at their annual meeting on January 3, 1987 is as follows:

1. The name by which this Company shall be known is the Protection Mutual Insurance Company of Littlestown.

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment of its Articles of Agreement to be certified by its

8729 583

President and its common seal to be affixed hereto, duly attested
by its Secretary, this 25th day of
February, 1987.

Attest:

PROTECTION MUTUAL FIRE INSURANCE COMPANY

Marilyn J. Butt
Secretary

By: Alvin S. Dutton
President

(CORPORATE SEAL)



CERTIFIED COPY OF EXTRACT OF MINUTES OF
THE ANNUAL MEETING OF THE MEMBERS
OF PROTECTION MUTUAL FIRE INSURANCE
COMPANY OF LITTLESTOWN

#292450

At the Annual Meeting of the members of Protection Mutual Fire Insurance Company of Littlestown, held at the Company's Home Office at 101 South Queen Street, Littlestown, Pennsylvania, convened at 1:00 P.M., Saturday, January 3, 1981, following public advertisement thereof in The Gettysburg Times and The Evening Sun, both newspapers of general circulation, and in the Adams County Legal Journal, published in Adams County, in conformity with the Insurance Company Law of 1921, proof of which is attached hereto, for the purpose of election of Directors to the Board of Directors, to consider the recommendation of the Board of Directors of Protection Mutual Fire Insurance Company of Littlestown to amend Article No. 2 of the Articles of Agreement of Protection Mutual Fire Insurance Company of Littlestown by deleting therefrom the workmen's compensation language under the old Section 202(c)(4) of the Insurance Company Law of May 17, 1921 and replace it with Section 202(c)(4) as amended by the Act of July 9, 1976, P.L. 948, No. 184, and for the transaction of such other business as may come before the meeting, at which meeting a quorum was at all times present, the following Resolution was offered:

WHEREAS, the members of the Board of Directors of the Company have thought it proper and in the best interest and welfare of the Protection Mutual Fire Insurance Company to

amend Article No. 2 of the Articles of Agreement by deleting therefrom the workmen's compensation language under the old Section 202(c)(4) of the Insurance Company Law of May 17, 1921 and replace it with Section 202(c)(4) as amended by the Act of July 9, 1976, P.L. 948, No. 184, now therefore be it

RESOLVED, that Article No. 2 of the Articles of Agreement of Protection Mutual Fire Insurance Company of Little town be amended by deleting therefrom the workmen's compensation language under the old Section 202(c)(4) of the Insurance Company Law of May 17, 1921 and replace it with Section 202(c)(4) as amended by the Act of July 9, 1976, P.L. 948, No. 184, and that Article No. 2 of the Articles of Agreement be amended to read as follows:

2. The class of insurance for which the company is constituted is Paragraphs (1) and (2) of subdivision (b) and Paragraphs (3), (4), and (6) of subdivision (c) as provided for in Section 202 of the Insurance Company Law of 1921 (Act of May 17, 1921, P.L. 682, as amended): For making insurance -

(b)(1) On dwelling houses, stores, and all kinds of buildings, and household furniture and other property - against loss or damage, including loss of use or occupancy, by fire, smoke, smudge, lightning, and explosion, whether fire ensue or not, and by tornadoes, cyclones, windstorms, earthquakes, hail, frost, sleet, snow, or flood; against loss or damage by water to any goods or premises, arising from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, and of water pipes; against accidental injury to such sprinklers, pumps, or other apparatus; against loss or damage caused by the caving in of the surface of the earth above coal mines; against perils to property arising from the ownership or maintenance or from the use of aircraft, automobiles, or other motor vehicles; against loss or damage caused by bombardment, invasion, insurrection, riot, civil

war, or commotion, and military or usurped power; and against damage to property as specified in this paragraph by any or all risks not herein specifically designated; and to effect reinsurance of any risk provided for in this clause.

(b)(2) Upon vessels, boats, cargoes, goods, personal property, merchandise, freight and other property - against loss or damage by all or any of the risks of lake, river, canal, and inland navigation and transportation, including all personal property floater risks; upon automobiles, airplanes, seaplanes, dirigibles, or other aircraft, whether stationary or in operation or in transit, against loss or damage by fire, explosion, transportation, collision, or by burglary, larceny, or theft; not including, in any case, insurances against loss by reason of bodily injury to the person; and to effect reinsurance of any risk provided for in this clause.

(c)(3) To insure against loss of, and damage to, glass, including lettering and ornamentation thereon, and the frame in which the glass is set, resulting from breakage of the insured glass.

(c)(4) To insure anyone against loss or damage resulting from accident to or injury, fatal or non-fatal, suffered by any person for which the person insured is liable; to insure against medical, hospital, surgical and funeral expenses incurred by or on behalf of the persons accidentally injured, including the person insured; to insure against loss or damage to property caused by horses, or by any vehicle drawn by animal power, for which loss or damage the person insured is liable; and to insure against loss or damage to property, for which loss or damage the person insured is liable, but not including any kind of property damage insurance specified in other paragraphs of this section. Nothing in this paragraph shall apply to any kind of insurance against loss or damage resulting from the ownership, maintenance or use of a motor vehicle. Further, nothing contained in this paragraph shall apply to any kind of workmen's compensation insurance against loss or damage resulting from accident to, or injury, fatal or non-fatal, suffered by an employe for which the person insured is liable or against medical, hospital, surgical and funeral expenses incurred by or on behalf of the employe accidentally injured as provided for in clause (14), subdivision (c) of Section 202.

(c)(6) To insure against loss or damage by burglary, larceny, theft, robbery, forgery, fraud, vandalism or malicious mischief (or any one or more of such hazards),

and to insure against any and all kinds of loss or destruction of, or damage to, moneys, securities, currencies, scrip, coins, bullion, bonds, notes, drafts, acceptance drafts, bills of exchange, and other valuable papers or documents, except while in the custody or possession of, and being transported by, a carrier for hire or in the mail, and against loss or damage to automobiles and aircraft by burglary, larceny or theft, vandalism or malicious mischief, confiscation or wrongful conversion, disposal or concealment, whether held under conditional sale contract or subject to chattel mortgages, or otherwise, or any one or more of such hazards.

BE IT FURTHER RESOLVED, that the Officers of the Company be authorized to execute all documents necessary or convenient to carry into effect this Resolution and to acknowledge the same as the act and deed of the Company.

The foregoing Resolution was regularly moved and seconded, and upon the question being called, the following result was returned:

votes cast in person in favor of the Resolution
 votes cast by proxy in favor of the Resolution
 total votes in favor of the Resolution
 votes cast in person against the Resolution
 votes cast by proxy against the Resolution
 total votes against the Resolution

Whereupon more than two-thirds (2/3) of the votes cast in favor of the Resolution, accordingly, the amendment was adopted by the members of Protection Mutual Fire Insurance Company of Littlestown.

CERTIFICATE OF AMENDMENT AND RESTATEMENT
OF THE ARTICLES OF AGREEMENT

In accordance with Sections 322 and 352 of the Insurance Company Law of May 17, 1921, P.L. 682, as amended, Protection Mutual Fire Insurance Company of Littlestown, by its Secretary, and attested, does hereby certify that:

1. The name by which the company shall be known is the Protection Mutual Fire Insurance Company of Littlestown.

2. The class of insurance for which the company is constituted is Paragraphs (1) and (2) of subdivision (b) and Paragraphs (3), (4), and (6) of subdivision (c) as provided for in Section 202 of the Insurance Company Law of 1921 (Act of May 17, 1921, P.L. 682, as amended): For making insurance -

(b)(1) On dwelling houses, stores, and all kinds of buildings, and household furniture and other property - against loss or damage, including loss of use or occupancy, by fire, smoke, smudge, lightning, and explosion, whether fire ensue or not, and by tornadoes, cyclones, windstorms, earthquakes, hail, frost, sleet, snow, or flood; against loss or damage by water to any goods or premises, arising from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, and of water pipes; against accidental injury to such sprinklers, pumps, or other apparatus; against loss or damage caused by the caving in of the surface of the earth above coal mines; against perils to property arising from the ownership or maintenance or from the use of aircraft, automobiles, or other motor vehicles; against loss or damage caused by bombardment, invasion, insurrection, riot, civil war, or commotion, and military or usurped power; and against damage to property as specified in this paragraph

by any or all risks not herein specifically designated; and to effect reinsurance of any risk provided for in this clause.

(b)(2) Upon vessels, boats, cargoes, goods, personal property, merchandise, freight and other property - against loss or damage by all or any of the risks of lake, river, canal, and inland navigation and transportation, including all personal property floater risks; upon automobiles, airplanes, seaplanes, dirigibles, or other aircraft, whether stationary or in operation or in transit, against loss or damage by fire, explosion, transportation, collision, or by burglary, larceny, or theft; not including, in any case, insurances against loss by reason of bodily injury to the person; and to effect reinsurance of any risk provided for in this clause.

(c)(3) To insure against loss of, and damage to, glass, including lettering and ornamentation thereon, and the frame in which the glass is set, resulting from breakage of the insured glass.

(c)(4) To insure anyone against loss or damage resulting from accident to or injury, fatal or non-fatal, suffered by any person for which the person insured is liable; to insure against medical, hospital, surgical and funeral expenses incurred by or on behalf of the persons accidentally injured, including the person insured; to insure against loss or damage to property caused by horses, or by any vehicle drawn by animal power, for which loss or damage the person insured is liable; and to insure against loss or damage to property, for which loss or damage the person insured is liable, but not including any kind of property damage insurance specified in other paragraphs of this section. Nothing in this paragraph shall apply to any kind of insurance against loss or damage resulting from the ownership, maintenance or use of a motor vehicle. Further, nothing contained in this paragraph shall apply to any kind of workmen's compensation insurance against loss or damage resulting from accident to, or injury, fatal or non-fatal, suffered by an employe for which the person insured is liable or against medical, hospital, surgical and funeral expenses incurred by or on behalf of the employe accidentally injured as provided for in clause (14), subdivision (c) of Section 202.

(c)(6) To insure against loss or damage by burglary, larceny, theft, robbery, forgery, fraud, vandalism or malicious mischief (or any one or more of such hazards), and to insure against any and all kinds of loss or

destruction of, or damage to, moneys, securities, currencies, scrip, coins, bullion, bonds, notes, drafts, acceptance drafts, bills of exchange, and other valuable papers or documents, except while in the custody or possession of, and being transported by, a carrier for hire or in the mail, and against loss or damage to automobiles and aircraft by burglary, larceny or theft, vandalism or malicious mischief, confiscation or wrongful conversion, disposal or concealment, whether held under conditional sale contract or subject to chattel mortgages, or otherwise, or any one or more of such hazards.

3. The plan or principle upon which the business is to be conducted is the mutual plan or principle.

4. The place in which the company is to be established or located is the Borough of Littlestown, County of Adams, Pennsylvania.

5. The general objects of the company are to make insurances on the mutual plan or principle against loss as provided in the second paragraph of this agreement.

6. The duration of the company is perpetual.

7. The powers it proposes to have and exercise are to have succession as hereinbefore provided; to adopt and to have a common seal, and the same to alter at pleasure; to sue and be sued; and in general to exercise the powers of a corporate body, and to make such contracts as may be necessary to carry out the objects of fire insurance on the plan provided for in this agreement; to purchase or lease such real estate as may be necessary for places of

business and for the security of investments; and to adopt such bylaws as may from time to time be deemed necessary.

IN WITNESS WHEREOF, Protection Mutual Fire Insurance Company of Littlestown has caused this certificate to be examined by its President and attested to by its Secretary and its common seal to be affixed hereto this 3rd day of January, 1981.

Alvin G. Dutterer
President

(CORPORATE SEAL)

Attested:

R. H. Thomas
Secretary

Bylaws of
Protection Mutual Insurance Company of Littlestown

**AMENDED AND RESTATED BYLAWS
OF
PROTECTION MUTUAL
INSURANCE COMPANY OF LITTLESTOWN**
(As adopted effective 1-13-2018)

The amended and restated bylaws were adopted at the Annual Policyholder's meeting of Protection Mutual Insurance Company of Littlestown on January 13, 2018.

I. NAME AND PLACE OF BUSINESS

Section 1. Name. The name of the Company is Protection Mutual Insurance Company of Littlestown (the "Company").

Section 2. Place of Business. The principal office of the Company shall be located in the Borough of Littlestown, Adams County, Pennsylvania.

II. MEMBERS

Section 1. Membership. The membership of the Company shall consist of policyholders having insurance that is currently in-force with the Company.

Section 2. Voting. Each member in good standing shall be entitled to one (1) vote at any meeting of the members.

Section 3. Annual Meeting. The annual meeting of the members of the Company shall be held at its principal office, or such other place selected by the Board of Directors (the "Board"), on the second Saturday of January. If the second Saturday in January occurs less than 10 calendar days from January 1st, then the annual meeting shall be held on the third Saturday of January. The purpose of the annual meeting is to elect Directors of the Company and for the transaction of such other business as may be submitted for the consideration of the members.

Section 4. Notice of Annual Meeting. The Secretary shall give the members notice of the time and place of the annual meeting by publication once a week for three (3) successive weeks in a newspaper of general circulation in the English language in Adams County and in the Adams County Legal Journal. At least three weeks shall elapse between the first publication and the day of the annual meeting.

Notice for a meeting of members to consider an amendment of the articles of incorporation or bylaws shall be officially published once a week for four successive weeks. At least four (4) weeks shall elapse between the first publication and the day of the meeting at which amendments to the articles of incorporation or bylaws shall be considered.

Section 5. Special Meetings. The Board of Directors may, and at the written request of one-hundred (100) members the Board shall, call special meetings of the members to be held at the principal office of the Company, or at such other place as the

Board may specify, and fix the time, including the hour, and the purposes of such meeting.

*Section 6. **Notice of Special Meeting.*** The Secretary shall give members written notice of the time, place and purpose of any special meeting, and shall specify the general nature of the business to be transacted. Notice shall be provided in the same manner as provided for an annual meeting, unless the Board of Directors or the Insurance Company Law of 1921, as amended, or the GAA Amendments Act of 1990 shall specify a different manner.

*Section 8. **Quorum.*** Seven (7) members shall constitute a quorum at any annual or special meeting of the members.

*Section 9. **Manner of Voting.*** Votes of members shall be voice unless otherwise required by law. The election of the Directors shall be by secret ballot unless there are only as many candidates as there are directors to be elected, in which case, the vote may be taken by voice vote.

III. BOARD OF DIRECTORS

*Section 1. **Number.*** The Company shall be managed by a Board of Directors consisting of not less than seven (7) members which number the Board may fix from time to time by resolution without the vote or consent of the members.

*Section 2. **Classes; Terms.*** The Board shall be divided into three classes as nearly equal as possible with one-third of them being elected at each annual meeting. Directors shall be elected to a three (3) year term and hold office until the expiration of the term for which such Director was elected and until such Director's successor has been elected or appointed and qualified, or until such Director's earlier death, resignation or removal.

*Section 3. **Qualifications; Nomination.*** All Directors shall be members of the Company. Two-thirds of the Directors must be citizens of the United States of America. All Directors must be at least eighteen (18) years of age. No member shall be eligible to be elected as a Director unless nominated by a written nomination filed with the Secretary at least thirty (30) days prior to the annual meeting of members. The Secretary shall have a list of the members so nominated available at the annual meeting. Before commencing his/her respective terms of office, a director shall sign and file all documents required by law or by the Company.

*Section 4. **Retirement.*** A Director shall retire from the position of director upon reaching the age of seventy-five (75) years. Thereafter, said director will become a director emeritus and may attend all Company and Board meetings and voice his/her opinion, but shall not have a vote. Upon the adoption of this bylaw, the one director who is older than seventy-five (75) years may remain a director and is eligible to be re-elected.

Section 5. **Powers.** Except as otherwise provided by law and these Bylaws, all powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of the Board of Directors.

Section 6. **Annual Meeting.** The Board shall hold their annual meeting immediately after the annual meeting of the members, at which time it shall elect from among its members officers of the Company and such other assistant officers, who need not be Directors.

Section 7. **Regular Meetings and Notice.** The Board shall meet at the principal office of the Company within two (2) weeks following the annual meeting of members, and monthly thereafter at such time and date as it may fix from time to time. Written notice shall be given to the Directors at least ten (10) days prior to the meeting in the manner set forth in Section 8.

Section 8. **Special Meetings and Notice.** Special Meetings of the Board may be called by the President and shall be called upon the written request of four (4) Directors. The Secretary shall give written notice to the Directors at least three (3) days prior to the meeting either hand-delivered, by USPS mail, by telegram, by facsimile, or e-mail that requires an acknowledgment of receipt. One or more persons may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting as aforesaid shall constitute presence in person at the meeting.

Section 9. **Quorum.** A majority of the Board shall constitute a quorum at any regular or special meeting.

Section 10. **Executive Committee.** During the adjournment of the Board, its powers shall be exercised by the Executive Committee, all the actions of which shall later be submitted to the Board and subject to its ratification. The Executive Committee shall consist of four members: President, Vice-President, Secretary, and Treasurer of the Company. The Executive Committee shall meet at such time and place as it may fix upon the call of the President. One or more persons may participate in a meeting of the Executive Committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting as aforesaid shall constitute presence in person at the meeting.

Section 11. **Compensation.** Directors shall not receive any stated salary for their services as such, but by resolution of the Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. A Director may serve the Company in any other capacity and receive compensation.

Section 12. **Personal Liability of Directors.** A Director of the Company shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the

duties of his office and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. A Director shall not be excused from the responsibility or liability of a director pursuant to any criminal statute; or from the liability of a director for the payment of taxes pursuant to Federal, State or local law.

*Section 13. **Vote.*** Each Director shall be entitled to one vote. A majority vote of all votes cast by the Board members on each question is required for adoption, except that an affirmative vote of $\frac{3}{4}$ of all members of the Board of Directors is required when voting on whether to accept, approve or recommend a merger proposal, demutualization or fundamental change in company structure.

*Section 14. **Removal.*** The Board may remove any director who fails to attend two successive meetings of the Board or for any other cause. Any Director position that becomes vacant for any reason may be filled by the Board to complete the term that was vacated.

IV. OFFICERS

*Section 1. **Titles.*** The Officers of the Company shall be President, Vice-President, Secretary, and Treasurer of the Company. The Board may also choose such other Officers as it shall deem appropriate who shall perform such duties from time to time as shall be prescribed by the Board. Any number of offices may be held by the same person except for the offices of President and Secretary.

*Section 2. **Salaries.*** The salaries of all Officers, who are also employees of the Company, shall be fixed by the Board.

*Section 3. **Terms of Office.*** The Officers of the Company shall hold office for one (1) year and until their successors are duly chosen and qualified. Any Officer elected or appointed by the Board may be removed by the Board whenever, in its judgment, the best interests of the Company will be served thereby.

V. DUTIES OF OFFICERS

*Section 1. **President.*** The President shall preside at all meetings of the members and Board; shall appoint all committees of which he or she shall be a member *ex-officio*; shall sign all policies of insurance (which signature may be by facsimile), and all documents to which the seal of the Company is affixed; and shall also perform such other duties as may from time to time be assigned to him or her by the Board.

*Section 2. **Vice President.*** The Vice-President shall perform the duties and be vested with the authority of the President in case of the latter's resignation, absence, or inability to act; and shall perform such other duties as the Board may direct.

*Section 3. **Secretary.*** The Secretary shall keep a complete and accurate record of all transactions of the Company; shall issue and countersign all policies, permits and endorsements of the Company, which signature may be by facsimile; shall,

subject to the control of the Board, have general charge of the business of the Company; shall appoint and remove all agents and employee; shall collect all assessments, premiums, and other monies due to the Company and deliver the same to the Treasurer, or deposit the same as directed by the Treasurer or by the President if the office of Secretary and Treasurer are held by the same person; shall make a complete and accurate report of the preceding year's business at each annual meeting and the current year's business at such other times as the Board may direct; shall give, or cause to be given, notice of all meetings of the members and of the Board, and shall perform such other duties as may be prescribed by the Board.

Section 4. **Treasurer.** The Treasurer, subject to the control of the Board, shall have charge of the corporate funds and securities; shall deposit all funds in the name of the Company in depositories designated by the Board; and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company. The Treasurer shall pay all vouchers and disburse the funds of the Company after approval by both the President and the Secretary (or by both the President and the Vice-President when the offices of Secretary and Treasurer are hold by the same person); shall make a complete and accurate financial report of all transactions and of the financial condition of the Company at each annual meeting and at such other time whenever the Board may require it. The accounts of the Treasurer shall be audited annually by a certified public accountant. The Treasurer shall countersign all checks issued by the Company when attested to and co-signed by the President, and shall perform such other duties as the Board may direct.

VI. VACANCIES

Section 1. **Vacancies in Offices.** If the office of any Officer becomes vacant for any reason, the Board may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

Section 2. **Vacancies in the Board.** Vacancies in the Board, including vacancies resulting from an increase in the number of Directors, shall be filled by a majority of the remaining members of the Board though less than a quorum, and each person so appointed shall be a Director complete the term that was vacated and serve until such Director's successor has been elected or appointed and qualified.

VII. MISCELLANEOUS

Section 1. **Dividends.** Dividends upon the policies of the Company may be declared by the Board at any time. Dividends may be issued by the Board at its sole discretion in a form (cash or in-kind) and in any amount subject to any restrictions on dividends required by law.

Section 2. **Company Property.** All documents, files, records and

correspondence prepared or acquired, as well as any equipment obtained, by any person during his or her tenure as an Officer, Director, employee, or agent shall remain the property of the Company and all the foregoing shall be promptly returned to the Company within seven (7) work days from the expiration of his or her term or the date of termination of his or her position as an Officer, employee or agent, whichever occurs first.

Section 3. Corporate Books. There shall be kept at the registered office or principal place of business of the Company an original or duplicate record of the proceedings of the members and of the Directors, and the original or a copy of these bylaws, including all amendments or alterations thereto to date.

Section 4. Policies. The Company may issues assessable and non-assessable insurance policies, as authorized by law for the classes of insurance authorized by its articles of incorporation.

Section 5. Bonds. The Secretary and Treasurer shall give corporate surety bonds in such form and amounts as the Board may require; and any other active officer or employee may be required to give such bond at the direction of the Board. The premium on all bonds shall be paid by the Company.

VIII. INDEMNIFICATION

The Company shall indemnify its officers, directors and employees to the fullest extent as provided under the provisions of Subchapter D of Chapter 17 of the Business Corporation Law, 15 Pa.C.S. § 1741 through § 1750, relating to indemnification and any amendments and supplements that may be made from time to time.

IX. AMENDMENTS

These By-Laws may be amended, altered, or repealed by a two-thirds (2/3) affirmative vote of the Board at any meeting of the Board, subject to the power of the members under the Business Corporation Law, 15 P.C.S. § 1504 (b), to change such action.

PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN

ATTESTED:

By: Ronald E. Dehoff PRES
Ronald E. Dehoff, President

Scott A. Hawk
Scott A. Hawk, Secretary

Articles of Incorporation of
Community Insurance Company

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF LEHIGH COUNTY INSURANCE COMPANY**

FIRST. The name of the Corporation is **Community Insurance Company**.

SECOND. The location and post office address of the registered office of the Corporation in this Commonwealth is 1047 Hamilton Street, Allentown, Pennsylvania 18101.

THIRD. The Corporation is incorporated under the provisions of the Pennsylvania Business Corporation Law of 1988 ("PABCL"). The purpose of the Corporation is, and it shall have unlimited power, to engage in and to perform any lawful act concerning, any and all lawful business for which company may be incorporated under the PABCL.

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

FIFTH. The aggregate number of shares of capital stock which the company shall have authority to issue is 300,000 shares of common stock, with a par value of \$5.00 per share.

SIXTH. 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.

SEVENTH. 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.

EIGHTH. The management, control and government of the Corporation shall be vested in a board of directors consisting of not less than seven (7) members in number, as fixed by the board of directors of the Corporation from time to time.

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 shareholders and directors herein are hereby granted subject to this reservation.

IN TESTIMONY WHEREOF, a duly authorized officer of the company has signed these Amended and Restated Articles of Incorporation as of October 25, 2017.



Michael A. Yeager
President

Bylaws of
Community Insurance Company

AMENDED AND RESTATED BYLAWS
OF
COMMUNITY INSURANCE COMPANY
(a Pennsylvania Insurance Company)

Effective

January 1, 2021

Upon the Affiliation with Loudoun Mutual Insurance Company

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AMENDED AND RESTATED BYLAWS
of
COMMUNITY INSURANCE COMPANY
(a Pennsylvania Insurance Corporation)

ARTICLE I
OFFICES

Section 1.01. Registered Office. The registered office of Community Insurance Company (the “Corporation”) in Pennsylvania shall be at the place designated in the Articles of Incorporation, subject to change upon notice to the Secretary of the Commonwealth as may be permitted by law.

Section 1.02. Other Offices. The Corporation may also have offices at such other places as the Board of Directors may from time to time designate or as the business of the Corporation may require.

ARTICLE II
SEAL

Section 2.01. Corporate Seal. The corporate seal, if any, shall have inscribed thereon the name of the Corporation, the year of its incorporation and the words “Corporate Seal Pennsylvania.” Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

ARTICLE III
SHAREHOLDERS’ MEETINGS

Section 3.01. Place of Meetings. All meetings of the shareholders shall be held at the registered office of the Corporation or at such other place, within or without the Commonwealth of Pennsylvania, as the Board of Directors or shareholders may from time to time determine.

Section 3.02. Annual Meeting. An annual meeting of the shareholders shall be held each year at such time and on such date as shall be designated by resolution of the Board of Directors, not later than five months after the end of the Corporation’s fiscal year, for the election of directors and the transaction of such other business as may properly be brought before the meeting. If a meeting for the election of directors shall not be held before the end of any calendar year, any shareholder may call such meeting at any time thereafter.

Section 3.03. Special Meetings. Special meetings of the shareholders may be called at any time by the Chairman of the Board, or a majority of the Board of Directors, or the holder or holders of not less than one-fifth (or such smaller fraction as may be provided by law in particular cases) of all the shares of the Corporation outstanding and entitled to vote at the particular meeting. If called by shareholders, such request shall be in writing delivered to the Secretary of the Corporation and shall state the time, place and general nature of the business to

be transacted at the meeting; and it shall be the duty of the Secretary to call such meeting to be held not more than sixty days after receipt of the request. If the Secretary shall neglect or refuse to issue such call, the person or persons making the request may do so.

Section 3.04. Notice of Meetings. Written notice of every meeting of the shareholders shall be given by or at the direction of the Secretary or other authorized person to each shareholder of record entitled to vote at the meeting at least (i) ten (10) days prior to the day named for a meeting that will consider a fundamental change under Chapter 19 of the Pennsylvania Business Corporation Law (the "PABCL") or (ii) five (5) days prior to the day named for the meeting in any other case. Notice shall be deemed to have been properly given to a shareholder when delivered to such shareholder personally, or when sent by first class or express mail, postage prepaid, or by electronic mail.

Section 3.05. Exception to Notice. Whenever any notice or communication is required to be given to a shareholder and communication with that shareholder is then unlawful, the giving of the notice or communication to that shareholder shall not be required and there shall be no duty to apply for a license or other permission to do so. If the action taken is such as to require the filing of any document with respect thereto, it shall be sufficient, if such is the fact and if notice or communication is required, to state therein that notice or communication was given to all shareholders entitled to receive notice or communication except persons with whom communication was unlawful. This exception shall also be applicable to any shareholder with whom the Corporation has been unable to communicate for more than 24 consecutive months because communications to the shareholder are returned unclaimed or the shareholder has otherwise failed to provide the Corporation with a current address. Whenever the shareholder provides the Corporation with a current address, this exception shall cease to be applicable to the shareholder.

Section 3.06. Waiver of Notice. Whenever any written notice is required to be given to a shareholder under the provisions of applicable law or by these Bylaws, a waiver thereof in writing, signed by the person entitled to notice either before or after the time stated therein, and whether before or after the meeting, shall be deemed equivalent to the giving of due notice. Except as otherwise required by law, neither the business to be transacted at the meeting, nor the purpose of the meeting, need be specified in the waiver of notice of such meeting. In the case of a special meeting of shareholders, the waiver of notice shall specify the general nature of the business to be transacted at the meeting. Attendance of any person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting except where a person entitled to notice 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 3.07. Quorum. The presence, in person (including participation by telephone or similar communication as provided in Section 8.04 hereof) or by proxy, of the shareholders entitled to cast at least a majority of the votes which all shareholders are entitled to cast on the particular matter shall be requisite and shall constitute a quorum for the purpose of considering such matter at any meeting of the shareholders for the election of directors or for the transaction of other business except as otherwise provided by statute or in these Bylaws. The shareholders present at a duly organized meeting can continue to do business until adjournment,

notwithstanding the withdrawal of enough shareholders to leave less than a quorum. If, however, any meeting of shareholders cannot be organized because a quorum has not attended, the shareholders entitled to vote thereat present in person or by proxy shall have the power to adjourn the meeting to such time and place as they may determine, except that in the case of any meeting called for the election of directors, such meeting may be adjourned only from day to day, or for such longer periods not exceeding fifteen days each, as may be directed by shareholders who are present in person or by proxy and who are entitled to vote, until such directors have been elected; and those who attend the second of such adjourned meetings, although less than a quorum as fixed by law or in the Articles of Incorporation, shall nevertheless constitute a quorum for the purpose of electing directors.

Section 3.08. Shareholders Entitled to Vote. Unless otherwise provided in the Articles of Incorporation, every shareholder shall be entitled to one vote for every share standing in his or her name on the books of the Corporation. In the event the Board of Directors shall fix a time prior to the date of any meeting of shareholders, as a record date for the determination of the shareholders entitled to notice of or to vote at any such meeting, which time, except in the case of an adjourned meeting, shall not be more than ninety days prior to the date of the meeting of shareholders. Only such shareholders as shall be shareholders of record on the date so fixed shall be entitled to notice of, or to vote at, such meeting notwithstanding any transfer of shares on the books of the Corporation after such record date. If a record date shall not be fixed by the Board of Directors for a particular shareholders' meeting, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders 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.

Section 3.09. Shareholders May Vote in Person or by Proxy. Every shareholder entitled to vote may vote either in person or by proxy. Every proxy shall be executed in writing by a shareholder, or by his or her duly authorized attorney-in-fact and filed with the Secretary of the Corporation. 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 notice thereof has been given to the Secretary of the Corporation. No unrevoked proxy shall be valid after three 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 such death or incapacity is given to the Secretary of the Corporation. Where two or more proxies of a shareholder are present, the Corporation shall, unless otherwise expressly provided in the proxy, accept as the vote of all shares represented thereby the vote cast by a majority of them and, if a majority of the proxies cannot agree whether the shares represented shall be voted or upon the manner of voting the shares, the voting of the shares shall be divided equally among those persons.

Section 3.10. Nomination and Election of Directors; No Cumulative Voting.

(a) Nominations for Board of Directors other than those recommended by the Board shall be in writing and delivered to the Secretary not less than ninety (90) days before the annual meeting of shareholders. The Secretary shall advise the Board of Directors of such nominations

not less than thirty days before the Board of Director's regular meeting scheduled prior to the date of the annual meeting of shareholders.

(b) Elections for directors need not be by ballot except upon demand made by a shareholder at the election and before the voting begins.

(c) There shall be no cumulative voting. Shareholders shall have one vote per share and directors shall be elected by a plurality of the votes cast, in person or by proxy, at a meeting of shareholders by the holders of shares entitled to vote therein.

Section 3.11. Voting. Except as otherwise provided by law or these Bylaws, whenever any corporate action is to be taken by vote of the shareholders, it shall be authorized by a majority of the votes cast at a duly organized meeting of shareholders by the holders of shares entitled to vote thereon.

Section 3.12. Voting Expenses. The Corporation shall, pay the reasonable expenses of solicitation of votes, proxies or consents of shareholders by or on behalf of the Board of Directors or its nominees for election to the Board, including solicitation by professional proxy solicitors and otherwise, and may pay the reasonable expenses of a solicitation by or on behalf of other persons.

Section 3.13. Voting Lists. The officer or agent having charge of the transfer books for shares of the Corporation shall make a complete list of the shareholders entitled to vote at the meeting, arranged in alphabetical order, with the address of and the number of shares held by each. Such list shall be produced and kept open at the time and place of the meeting, and shall be subject to the inspection of any shareholder during the whole time of the meeting, except that if the Corporation has one thousand (1,000) or more shareholders, in lieu of the making of such list the Corporation may make the information therein available by any other means.

Section 3.14. Judges of Election. In advance of any meeting of shareholders, the Board of Directors may appoint Judges of Election, who may but need not be shareholders, to act at such meeting or any adjournment thereof. If Judges of Election be not so appointed, the Chairman of any such meeting may, and on the request of any shareholder or his proxy shall, make such appointment at the meeting. The number of Judges shall be one or three. If appointed at the meeting on the request of one or more shareholders or proxies, the question of whether one or three Judges are to be appointed shall be determined as provided by law. No person who is a candidate for office to be filled at the meeting shall act as a Judge. In case any person appointed as 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 person acting as Chairman. The Judges of Election shall do all such acts as may be proper to ascertain the existence of a quorum and the number of votes cast, and to conduct the election or vote with fairness to all shareholders. They shall, if requested by the Chairman of the meeting or any shareholder or his or her proxy, make a written report of any matter determined by them and execute a certificate of any fact found by them. If there be three 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.

Section 3.15. Notice of Adjournments. Upon adjournment of an annual or special meeting of shareholders it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken unless the Board fixes a new record date for the adjourned meeting. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 3.16. Informal Action by Shareholders. Except as may be otherwise provided by statute or in the Articles of Incorporation, notwithstanding anything to the contrary contained in these Bylaws, any action required or permitted be taken at a meeting of the shareholders may be taken without a meeting, if, prior or subsequent to the action a consent thereto by all of the shareholders who would be entitled to vote at a meeting for such purpose shall be filed with the Secretary of the Corporation.

ARTICLE IV DIRECTORS

Section 4.01. Number, Classes, Term of Office, and Retirement.

(a) The business and affairs of the Corporation shall be managed under the direction of a board consisting of not less than seven (7) directors who shall be natural persons of full age. Subject to the preceding sentence, and to Section 4.01(d), the number of directors shall be such number as shall have been last specified by resolution, if any, of the Board of Directors or shareholders. At least two-thirds of the directors shall be citizens of the United States. Directors need not be residents of Pennsylvania or shareholders of the Corporation. The President of the Corporation shall be a director.

(b) 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.

(c) The Chairman of the Board shall preside at all meetings of the shareholders and of the Board of Directors. He or she shall have such powers and duties as the Board may prescribe. In the absence of the Chairman of the Board, the President shall preside at all meetings of the shareholders and of the Board of Directors.

(d) The Board of Directors shall be classified in the same manner as the board of directors of Community Holdings Management, Inc., and the Corporation's directors shall at all times be the same individuals (organized into the same classes) as the individuals serving on the Board of Directors of Community Holdings Management, Inc. If at any time, the provisions of this Section 4.01(d) are not being complied with, the shareholder shall have the right to remove individuals from and appoint individuals to the Corporation's Board of Directors so that the requirements of this Section 4.01 are complied with.

Section 4.02. Removal. The shareholders shall have the power to remove any director with or without cause.

Section 4.03. Vacancies. Vacancies in the Board of Directors, whether or not caused by 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 elected shall be a director to serve for the balance of the unexpired term. In doing so, the remaining members of the Board shall be bound by the requirements of Section 4.01(d) of these Bylaws.

Section 4.04. Resignation. Any director may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as shall be specified in the notice of resignation.

Section 4.05. Place of Meetings. The meetings of the Board of Directors may be held at such place within or without the Commonwealth of Pennsylvania as a majority of the directors may from time to time by resolution appoint, or as may be designated in the notice or waiver of notice of a particular meeting; in the absence of specification, such meetings shall be held at the registered office of the Corporation.

Section 4.06. First Meeting. The first meeting of each newly elected Board of Directors shall be held immediately after the annual meeting of the shareholders at the place where the shareholders' meeting was held, for the purpose of organization, the election of officers and the transaction of other business; or such meeting may convene at such other time and place as may be fixed by resolution of the shareholders adopted at the meeting at which the directors were elected, or by the call of any director or incorporator, who shall give at least five days written notice thereof to each other director or incorporator, which notice shall set forth the time and place of the meeting. Any incorporator may act in person, by written consent or by proxy signed by him or her or his or her attorney-in-fact. If a designated director or an incorporator dies or is for any reason unable to act at the meeting, the other or others may act. If there is no other designated director or incorporator able to act, any person for whom an incorporator was acting as agents may act or appoint another to act in his or her stead.

Section 4.07. Regular Meetings. Regular meetings of the Board of Directors may be held at such times as the Board may by resolution determine. If any day fixed for a regular meeting shall be a legal holiday, then the meeting shall be held at the same hour and place on the next succeeding business day.

Section 4.08. Special Meetings. Special meetings of the Board of Directors may be called at any time by written request of the Chairman of the Board, the President, or at least two directors, delivered to the Secretary. Any such request shall specify all matters to be presented at the special meeting.

Section 4.09. Notice of Meetings. Notice of all meetings of directors shall be given by the Secretary to each Director either in person, by first class or express mail, postage paid, or courier service, charges prepaid, or by facsimile transmission, email or other electronic communication, in each case, not less than one (1) day before the meeting.

Section 4.10. Exception to Notice. Whenever any notice or communication is required to be given to a director under the provisions of applicable law or by the Articles of

Incorporation or these Bylaws or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action and communication with that director is then unlawful, the giving of the notice or communication to that director shall not be required and there shall be no duty to apply for a license or other permission to do so. Any action or meeting that is taken or held without notice or communication to that director shall have the same validity as if the notice or communication had been duly given. If the action taken is such as to require the filing of any document with respect thereto under any provision of law or any agreement or other instrument, it shall be sufficient, if such is the fact and if notice or communication is required, to state therein that notice or communication was given to all directors entitled to receive notice or communication except directors with whom communication was unlawful.

Section 4.11. Waiver of Notice. Whenever any written notice is required by law or the Articles of Incorporation or these Bylaws to be given to a director, a waiver thereof in writing, signed by the director entitled to notice either before or after the time stated therein, and whether before or after the meeting, shall be deemed equivalent to the giving of due notice. Attendance of any director at any meeting shall constitute a waiver of notice of such meeting except where such director 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 4.12. Quorum. A majority of directors shall constitute a quorum for any regular or special meeting of the Board, and a majority of the members of any committee of the Board shall constitute a quorum for any meeting of such committee. Unless otherwise required by law or any other provisions of these Bylaws, no determinations of the Board or of any committee of the Board shall be made in the absence of a quorum, and all determinations of the Board and of any committee of the Board shall be by majority vote of those directors present and voting at any regular or special meeting of the Board or at any meeting of a committee of the Board.

Section 4.13. Chairman. At its discretion, the Board may appoint annually one of its directors to be Chairman who shall preside at all meetings of the Board and all meetings of shareholders, and shall perform such other duties and exercise such additional powers as the Board may determine from time to time.

Section 4.14. Adjournment. Adjournment or adjournments of any regular or special meetings may be taken, and it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken. At any adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting originally called.

Section 4.15. Action in Lieu of a Meeting. Any action required or permitted to be taken by the Board of Directors or by any committee thereof may be taken without a meeting if all of the members of the Board of Directors or of any committee thereof consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board of Directors or of any such committee shall be filed with the Secretary of the Corporation.

Section 4.16. General Powers. All such powers of the Corporation and all such lawful acts and things as are not by statute, or by the Articles of Incorporation or by these Bylaws, directed or required to be exercised or done by the shareholders, shall be exercised by or under the authority of the Board of Directors.

Section 4.17. Committees. The Board of Directors may, by resolution adopted by a majority of the directors in office, establish one or more committees to consist of one or more directors of the Corporation. The number of the members of any committee shall be as the Board of Directors may by resolution determine. The Board of Directors shall have power at any time to change the members of any committee, to fill vacancies, and to discharge any committee. Each committee shall have a chairman selected by its own members. Any committee to the extent provided in the resolution establishing such committee, shall have and may exercise all of the powers and authority of the Board of Directors except that a committee may not:

- (a) submit to the shareholders any action that the law requires be approved by the shareholders; nor
- (b) create or fill vacancies on the Board of Directors or on any of its committees; nor
- (c) amend the Articles of Incorporation; nor
- (d) adopt, amend, or repeal the Bylaws; nor
- (e) approve a plan of merger not requiring shareholder approval.

Section 4.18. Compensation of Directors. The Board of Directors shall have the authority to establish from time to time reasonable compensation of directors for services to the Corporation and for reimbursement of their out-of-pocket expenses. No officer or employee of the Corporation who serves as a director of the Corporation shall receive separate compensation thereof.

Section 4.19. Removal of Directors.

(a) Removal by the Board. The Board of Directors may declare vacant the office of a director who has been judicially declared of unsound mind or who has been convicted of an offense punishable by imprisonment for a term of more than one year or for any other proper cause, or if, within sixty days after notice of his or her selection such director does not accept the office either in writing or by attending a meeting of the Board.

(b) Effect of Reinstatement. An act of the Board done during the period when a director has been suspended or removed for cause shall not be impugned or invalidated if the suspension or removal is thereafter rescinded by the shareholders or by the Board or by the final judgment of a court.

Section 4.20. 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 the disinterested directors even though the disinterested directors are less than a quorum;

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

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

ARTICLE V OFFICERS, AGENTS AND EMPLOYEES

Section 5.01. Executive Officers.

(a) Officers. The executive officers of the Corporation shall be elected annually by a majority vote of the Board of Directors and shall be a President and Chief Executive Officer, a Secretary, a Treasurer, and such additional officers as the Board of Directors may determine from time to time, provided that the Board of Directors may decide from time to time not to fill one or more of the foregoing offices (other than President, Secretary, and Treasurer). Except as otherwise provided in these Bylaws, there shall be no limit on the number of offices or terms thereof, successive or otherwise, which may be held by any person; provided, however, that no one individual may hold all the offices of Treasurer, President and Secretary.

(b) Powers. The officers shall have such responsibilities and perform such duties as specified in these Bylaws and appropriate to their respective offices, and as otherwise determined by the Board from time to time.

(c) Term of Office; Vacancy. The officers shall serve for one year and until their successors are duly chosen and qualified, unless such officers shall earlier die, resign, or be removed in accordance with law and these Bylaws. Any vacancies occurring among the officers for any reason shall be filled by the Board of Directors.

Section 5.02. Agents or Employees. The Board of Directors may delegate to the Chief Executive Officer (the “CEO”) the power to appoint 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 5.03. Salaries. The Board of Directors shall determine from time to time all salaries, fees and other compensation to be paid to the officers.

Section 5.04. Removal of Officers, Agents, or Employees. Any officer, agent, or employee of the Corporation may be removed or his or her authority revoked by the affirmative vote of a majority of the Board of Directors with or without cause, but such removal or revocation shall be without prejudice to the rights, if any, of the person so removed, to receive compensation or other benefits in accordance with the terms of existing contracts. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 5.05. President; Powers and Duties. The President shall be responsible for the operations of the Corporation. He or she shall have general charge and supervision of the business of the Corporation and shall exercise or perform all the powers and duties usually incident to the office of President. He or she shall from time to time make such reports of the affairs of the Corporation as the Board may require and shall annually present to the annual meeting of the shareholders a report of the business of the Corporation for the preceding fiscal year.

Section 5.06. Vice President; Powers and Duties. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and if there be more than one Vice President, their seniority in performing such duties and exercising such powers shall be determined by the Board of Directors or, in default of such determination, by the order in which they were first elected. Each Vice President also shall have such powers and perform such duties as may be assigned to him or her by the Board or the CEO.

Section 5.07. Secretary; Powers and Duties. The Secretary shall attend all sessions of the Board and all meetings of the shareholders and act as clerk thereof, and record all the votes and minutes thereof in books to be kept for that purpose; and shall perform like duties for the executive committee (if any) and of other committees of the Board of Directors when required. He or she shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or by the CEO. The Secretary shall keep in custody the corporate seal of the Corporation, and may affix the same to any instrument requiring it and attest the same.

Section 5.08. Treasurer; Powers and Duties. The Treasurer shall cause full and accurate accounts of receipts and disbursements to be kept in books belonging to the Corporation. He or she shall see to the deposit of all moneys and other valuable effects in the name and to the credit of the Corporation in such depository or depositories as may be designated by the Board of Directors, subject to disbursement or disposition upon orders signed in such manner as the Board of Directors shall prescribe. He or she shall render to the CEO and to the directors, at the regular meetings of the Board or whenever the CEO or the Board may require it, an account of all his or her transactions as Treasurer.

Section 5.09. Delegation of Officers' Duties. Any officer may delegate duties to his or her assistant (if any) appointed by the Board; and in case of the absence of any officer or assistant officer of the Corporation, or for any other reason that the Board of Directors may deem sufficient, the Board may delegate or authorize the delegation of his or her powers or duties, for the time being, to any person.

ARTICLE VI SHARES OF CAPITAL STOCK

Section 6.01. Stock Certificates. Subject to requirements prescribed by law, the shares of the Corporation shall be represented by stock certificates in such form as shall be approved by the Board of Directors or shall be uncertificated shares. Every shareholder shall be entitled to a stock certificate representing the shares owned by him or her. All certificates representing shares shall be registered in the share register as they are issued, and those of the same class or series shall be consecutively numbered. Every stock certificate shall be executed by facsimile or otherwise, by a corporate officer or assistant officer on behalf of the Corporation. In case any officer, assistant officer, transfer agent or registrar whose signature appears on any stock certificate shall have ceased to be such because of death, resignation or otherwise, before the certificate is issued, it may be issued by the Corporation with the same effect as if he or she had not ceased to be such at the date of its issue.

Section 6.02. Registered Shareholders. The Corporation shall be entitled to treat the registered holder of any share or shares as the holder thereof in fact and law and shall not be bound to recognize any equitable or other claim to, or interest in, such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, save as otherwise expressly provided by statute.

Section 6.03. Transfers of Shares. Shares of the Corporation shall be transferred only on its books upon the surrender to the Corporation or its transfer agent of the stock certificate or certificates therefor duly endorsed by the person named therein, or accompanied by proper evidence of succession, assignment or authority to transfer such shares; *provided*, no transfers of shares shall be made while the books of the Corporation are closed against transfers as hereinafter provided in these Bylaws. Subject to Section 6.04 hereof, upon transfer the transaction shall be recorded upon the books of the Corporation.

Section 6.04. Restrictions on Transfer. Transfers of shares may be restricted in any lawful manner by law, or by contract if a copy of the contract is filed with the Corporation, provided that notice of the restrictions shall be typed or printed conspicuously on the stock certificate or in the equivalent notice with respect to an uncertificated security.

Section 6.05. Replacement of Certificates. The Board of Directors may direct a new stock certificate to be issued in place of any stock certificate theretofore issued by the Corporation and claimed to have been lost, destroyed or mutilated, upon the claimant's furnishing an affidavit of the facts and, if required by the Board of Directors, a bond of indemnity in such amount and in such form, with such surety thereon, as the Board may approve for the protection of the Corporation and its officers and agents.

ARTICLE VII RECORD DATE

Section 7.01. Directors May Fix Record Date. The Board of Directors may fix a time prior to the date of any meeting of the shareholders as a record date for the determination of the shareholders entitled to notice of, or to vote at, any such meeting, which time, except in the case of an adjourned meeting, shall be not more than ninety days prior to the date of the meeting of shareholders. Only the shareholders who are shareholders of record and entitled to vote on the date so fixed shall be entitled to notice of and to vote at such meeting notwithstanding any transfer of shares on the books of the Corporation after the record date so fixed. The Board of Directors may similarly fix a record date for the determination of shareholders of record for any other purpose. When a determination of shareholders of record has been made 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.

Section 7.02. Determination When No Record Date Fixed. If a record date is not fixed by the Board of Directors, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders 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. The record date for determining shareholders 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, shall be the day on which the first written consent or dissent is filed with the Secretary of the Corporation. The record date for determining shareholders for any other purpose shall be at the close of business on the date on which the Board of Directors adopts the resolution relating thereto.

Section 7.03. Certification By Nominee. The Board of Directors may adopt a procedure whereby a shareholder of the Corporation may certify in writing to the Corporation that all or a portion of the shares registered in the name of the shareholder are held for the account of a specified person or persons. The resolution of the Board may set forth (i) the classification of shareholder who may certify; (ii) the purpose or purposes for which the certification may be made, (iii) the form of certification and information to be contained therein; (iv) if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and (v) such other provisions with respect to the procedure as are deemed necessary or desirable. Upon receipt by the Corporation of a certification complying with the procedure, the persons specified in the certification shall be deemed, for the purposes set forth in the certification, to be the holders of record of the number of shares specified in place of the shareholder making the certification.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.01. Corporate Records. The Corporation shall keep complete and accurate books and records of account, minutes of the proceedings of the incorporators, shareholders and directors and a share register giving the names of the shareholders and showing their respective addresses, the number and classes of shares held by each. The share register shall be kept at

either the registered office of the Corporation in the Commonwealth of Pennsylvania or at its principal place of business wherever situated 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.

Section 8.02. Execution of Written Instruments. Any form of execution provided in the Articles of Incorporation or in these Bylaws notwithstanding, any note, mortgage, evidence of indebtedness, contract or other document or any assignment or endorsement thereof, executed and 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 Chief Executive Officer, the President or a Vice President and attested by the Secretary or the Treasurer or an Assistant Secretary or Assistant Treasurer, shall be held to have been properly executed for and in behalf of the Corporation. All checks, notes, drafts and orders for the payment of money shall be signed by such one or more officers or agents as the Board of Directors may from time to time designate. The affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Corporation of any instrument or other document. The Board of Directors may authorize from time to time any other officers or representatives of the Corporation to bind the Corporation contractually.

Section 8.03. Policy Contracts; Facsimile Signatures.

(a) Policy Contracts. Policies of insurance and contracts of annuity shall be subscribed with the manual or facsimile signature of the President and either the Secretary or the Treasurer.

(b) Facsimile Signatures. In the case of the death, retirement or removal from office of any officers whose facsimile signature is authorized to be used in connection with policy forms, checks, receipts or other instruments executed by the Corporation, such policy forms, checks, receipts or other instruments bearing the facsimile signature of such officer may nevertheless be issued during a period not exceeding six months from such date of death, retirement or removal.

Section 8.04. Telecommunications. One or more directors or shareholders may participate in a meeting of the Board or a committee of the Board, or of the shareholders by means of conference telephone or similar communications equipment by mean of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at the meeting.

ARTICLE IX INDEMNIFICATION OF DIRECTORS AND OFFICERS; PERSONAL LIABILITY

Section 9.01. Scope of Indemnification.

(a) General Rule. The Corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from

any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability except:

(1) Where such indemnification is expressly prohibited by applicable law;

(2) Where the conduct of the indemnified representative has been finally determined:

A. to constitute willful misconduct or recklessness within the meaning of 15 Pa.C.S. 513(b) and 1746(b) or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

B. to be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

C. to the extent such indemnification has been finally determined in a final adjudication to be otherwise unlawful.

(b) Partial Payment. If an indemnified representative is entitled to indemnification in respect of a portion, but not all, of any liabilities to which such person may be subject, the Corporation may indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

(c) Presumption. The termination of a proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the indemnified representative is not entitled to indemnification.

(d) Definitions. For purposes of this Article:

(1) “indemnified capacity” means any and all past, present and future service by an indemnified representative in one or more capacities as a director, officer, employee or agent of the Corporation, or, at the request of the Corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

(2) “indemnified representative” means any and all directors and officers of the Corporation and any other person designated as an indemnified representative by the Board of Directors of the Corporation (which may, but need not include any person serving at the request of the Corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

(3) “liability” means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense of any nature (including, without limitation, attorneys’ fees and disbursements); and

(4) “proceeding” means any threatened, pending or completed action, suit, appeal or proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation, a class of its members or otherwise.

Section 9.02. Proceedings Initiated by Indemnified Representatives. Notwithstanding any other provision of this Article, the Corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counterclaims or affirmative defenses) or participated in as an intervenor or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the Directors in office. This Section does not apply to a reimbursement of expenses incurred in successfully prosecuting the rights of an indemnified representative granted by or pursuant to this Article.

Section 9.03. Advancing Expenses. The Corporation shall pay the expenses (including attorneys’ fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of the proceeding described in Section 9.01 above and for those proceedings for which the initiation of or participation in which is authorized pursuant to Section 9.02 above upon receipt of an undertaking by or on behalf of the indemnified representative to repay the amount if it is ultimately determined that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

Section 9.04. Securing of Indemnification Obligations. To further effect satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the Corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board of Directors shall deem appropriate. Absent fraud, the determination of the Board of Directors with respect to such amounts, costs, terms and conditions shall be conclusive against all members, officers and directors and shall not be subject to voidability.

Section 9.05. Payment of Indemnification. An indemnified representative shall be entitled to indemnification with thirty (30) days after a written request for indemnification has been delivered to the secretary of the Corporation.

Section 9.06. Contribution. If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

Section 9.07. Mandatory Indemnification of Directors, Officers, Etc. To the extent that an authorized representative of the Corporation has been successful on the merits or otherwise in defense of any action or proceeding referred to in 15 Pa.C.S. 1741 or 1742 or in defense of any

claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees and disbursements, actually and reasonably incurred by such person in connection therewith.

Section 9.08. Contract Rights; Amendment or Repeal. All rights under this Article 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 9.09. Scope of Article. The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of shareholders or disinterested directors or otherwise both as to action in an indemnified capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

Section 9.10. 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 in this Article.

Section 9.11. Interpretation. The provisions of this Article are intended to constitute bylaws authorized by 15 Pa.C.S. 513 and 1746.

The foregoing right of indemnification shall not be exclusive of any other right to which such person shall be entitled as a matter of law.

Section 9.12. Personal Liability. To the fullest extent permitted by Pennsylvania law, as now in effect and as amended from time to time, a director or officer of the Corporation shall not be personally liable to the Corporation or its shareholders for any monetary damages for any action taken or any failure to take any action or for breach of any duty owed to the Corporation or its shareholders.

Section 9.13. Insurance. The Corporation shall have the right to purchase and maintain insurance on behalf of any director or officer against any expenses and liabilities incurred in any proceeding referred to above by reason of his or her being or having been such director or officer, whether or not the Corporation has the power to indemnify such person against such expenses and liabilities under the PABCL.

ARTICLE X FISCAL YEAR

Section 10.01. Fiscal Year. The fiscal year of the Corporation shall end on December 31 of each year.

ARTICLE XI
AMENDMENT OF BYLAWS

Section 11.01. Amendments. The shareholders shall always have the power to alter, amend, and repeal these Bylaws at a regular or special meeting. The Board of Directors (but not a committee thereof), by the affirmative vote of a majority of the whole Board, shall have the power to alter, amend, and repeal these Bylaws at a regular or special meeting, regardless of whether the shareholders have previously adopted the Bylaw being amended or repealed, subject to the power of the shareholders to change such action, provided that the Board of Directors shall not have the power to amend these Bylaws on any subject that is expressly committed to the shareholders by the express terms hereof, by Section 1504 of the PABCL or otherwise. Any change in these Bylaws shall take effect when adopted unless otherwise provided in the resolution effecting the change.

Articles of Incorporation of
Community Holdings Management, Inc.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS
401 NORTH STREET, ROOM 206
P.O. BOX 8722
HARRISBURG, PA 17105-8722
WWW.CORPORATIONS.PA.GOV

Melissa Zeiders
Stevens & Lee, P.C. * Counter Pick-Up * 17 North 2nd Street
HARRISBURG PA 17101

Community Holdings Management Inc.

THE BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS IS HAPPY TO SEND YOUR FILED DOCUMENT. THE BUREAU IS HERE TO SERVE YOU AND WE WOULD LIKE TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA.


IF YOU HAVE ANY QUESTIONS PERTAINING TO THE BUREAU, PLEASE VISIT OUR WEBSITE AT www.dos.pa.gov/BusinessCharities OR YOU MAY CONTACT US BY TELEPHONE AT (717)787-1057. INFORMATION REGARDING BUSINESS AND UCC FILINGS CAN BE FOUND ON OUR SEARCHABLE DATABASE AT www.corporations.pa.gov/Search/CorpSearch .

ENTITY NUMBER : 6560323

Entity# : 6560323
Date Filed : 05/25/2017
Pedro A. Cortés
Secretary of the Commonwealth

**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

Return document by mail to:
Melissa Zeiders - COUNTER PICK UP
Name
Stevens & Lee 17 N. 2nd Street
Address
Harrisburg PA 17101
City State Zip Code
 Return document by email to: mmz@stevenslee.com

Articles of Incorporation - For Profit
DSCB:15-1306/2102/2303/2702/2903/3101/3303/7102
(rev. 2/2017)

TCO170525JF1178

Read all instructions prior to completing. This form may be su

Fee: \$125 I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

- Check only one:
- | | | |
|--|--|---|
| <input type="checkbox"/> Business-stock (§ 1306) | <input type="checkbox"/> Management (§ 2703) | <input type="checkbox"/> Benefit (§ 3303) |
| <input checked="" type="checkbox"/> Business-nonstock (§ 2102) | <input type="checkbox"/> Professional (§ 2903) | <input type="checkbox"/> Cooperative (§ 7102) |
| <input type="checkbox"/> Business-statutory close (§ 2303) | <input type="checkbox"/> Insurance (§ 3101) | |

In compliance with the requirements of the applicable provisions (relating to corporations and unincorporated associations), the undersigned, desiring to incorporate a corporation for profit, hereby states that:

1. The name of the corporation (*corporate designator required, i.e., "corporation," "incorporated," "limited," "company," or any abbreviation thereof. "Professional corporation" or "P.C." permitted for professional corporations*):
Community Holdings Management Inc.

2. Complete part (a) or (b) – not both:

(a) The address of this corporation's proposed registered office in this Commonwealth is:
(*post office box alone is not acceptable*)

1047 Hamilton Street	Allentown	PA	18101	Lehigh
Number and Street	City	State	Zip	County

(b) The name of this corporation's commercial registered office provider and the county of venue is:

c/o:
Name of Commercial Registered Office Provider County

3. The corporation is incorporated under the provisions of the Business Corporation Law of 1988.

4. Check and complete one:

The corporation is organized on a nonstock basis.
 The corporation is organized on a stock share basis and the aggregate number of shares authorized is:

5. The name and address, including number and street, if any, of each incorporator (*all incorporators must sign below*):

Name	Address
Melissa M. Zeiders	c/o Stevens & Lee 17 N. 2 nd Street, Harrisburg, PA 17101


6. The specified future effective date, if any: _____
month/day/year hour, if any

7. Additional provisions of the articles, if any, attach an 8½ by 11 sheet.

~~8. Statutory close corporation only: Neither the corporation nor any shareholder shall make an offering of any of its shares of any class that would constitute a "public offering" within the meaning of the Securities Act of 1933 (15 U.S.C. § 77a et seq.)~~

9. ~~For Cooperative Corporation Only:~~
~~Check and complete one:~~
~~_____ The corporation is a cooperative corporation and the common bond of membership among its members is: _____~~
~~_____ The corporation is a cooperative corporation and the common bond of membership among its shareholders is: _____~~

10. ~~Benefit corporations only: This corporation shall have the purpose of creating general public benefit.~~
~~Strike out if inapplicable: This corporation shall have the purpose of creating the enumerated specific public benefit(s): _____~~

IN TESTIMONY WHEREOF, the incorporator has signed these Articles of Incorporation this
25 day of May, 2017.


Melissa M. Zeiders, Organizer

**ARTICLES OF INCORPORATION
OF
COMMUNITY HOLDINGS MANAGEMENT INC.**

FIRST: The name of the Corporation is **Community Holdings Management Inc.**

SECOND: The location and post office address of the Corporation's registered office in this Commonwealth is 1047 Hamilton Street, Allentown, Lehigh County, Pennsylvania 18101.

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 Pennsylvania Business Corporation Law of 1988, the Act approved December 1988, P.L. 1444, as amended (the "PBCL").

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

FIFTH: The Corporation is a non-stock corporation organized under Chapter 21 (Non-Stock Corporations) of the PBCL, 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 holder of an inforce policy of insurance issued by any insurance company that is a subsidiary of the Corporation (an "Insurance Company Subsidiary"), as provided by the records of an Insurance Company Subsidiary, shall automatically become a member of the Corporation (a "Member") and shall remain a Member so long as such person is a holder of at least one inforce insurance policy issued by an Insurance Company Subsidiary. 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 an Insurance Company Subsidiary.

(b) Membership shall automatically follow and shall not be severable from the insurance policy. Membership shall automatically terminate when a Member no longer owns an in-force insurance policy issued by an Insurance Company Subsidiary.

(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 insurance 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 these Articles of Incorporation and the Bylaws of the Corporation on any proposition submitted to vote.

(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 Commonwealth of Pennsylvania.

SEVENTH: 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.

EIGHTH: 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 Article SEVENTH and this Article EIGHTH, 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.

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

TENTH. The name and address of the incorporator of the Corporation is: Melissa M. Zeiders, c/o Stevens & Lee, 17 North Second Street, 16th Floor, Harrisburg, PA 17101.

IN TESTIMONY WHEREOF, the Incorporator has signed these Articles of Incorporation this 25 day of May, 2017.



Melissa M. Zeiders, Incorporator

Bylaws of
Community Holdings Management, Inc.

COMMUNITY HOLDINGS MANAGEMENT INC.

AMENDED AND RESTATED BYLAWS

Effective January 1, 2023

ARTICLE 1

MEMBERS

Section 1.1 Members. Each insurance policy issued by any direct or indirect insurance company subsidiary of Community Holdings Management Inc. (the “Company”), or any predecessor of such insurance company subsidiary, that is in force shall represent a membership in the Company, and the holders of each such policy shall be members of the Company, entitled to cast a single vote on each matter that the members of the Company are entitled to vote. Such membership interest shall terminate upon the cancellation, nonrenewal or other termination of such insurance policy. Regardless of the number of policies held by a member, each member is entitled to only one vote on each matter presented to the members for their vote or approval. If there are two or more holders of a policy, a majority of the holders of such policy shall determine how such vote may be cast with respect to any matter presented to the members for their vote or approval.

Section 1.2 Annual Meetings of Members. The annual meeting of members of the Company shall be held on the third Tuesday in March of each year, at 10:00 AM local time, at the Company’s offices in Lancaster, Pennsylvania, or at such other time and place as directed by the board of directors.

Section 1.3 Special Meetings of Members. Special meetings of the members of the Company may be called at any time by the board of directors. The purpose of every special meeting shall be stated in the notice, and no business shall be transacted except such business as is specified in the notice.

Section 1.4 Quorum for Members’ Meetings. There shall be at least five members of the Company present in person or by proxy to constitute a quorum at any annual or special meeting of the Members. Members who attend by conference telephone or other electronic means, including but not limited to the Internet will be deemed to be present in person at the meeting.

Section 1.5 Notice of Meetings of Members. The Company may provide notice of the annual meeting by placing a notice of the date, time, and place in or on each member’s insurance policy documents and no other notice shall be required. For any meeting held at a date, time and place other than those set forth in or on the members’ insurance policy documents, the Company shall give written notice to its members of the date, time and place of such meeting, which notice shall be given either personally or by mail, no less than 10 nor more than 60 days before the date of the meeting unless the Pennsylvania Business Corporation Law (the “PBCL”) requires a longer notice period.

Section 1.6 Voting at Meetings of Members. At all meetings of members, votes may be cast either personally or by written proxy executed by the member or his authorized attorney-in-fact. Proxies shall be filed with the Secretary of the Company before or at the time of the meeting. Jointly held memberships shall be entitled to one vote.

ARTICLE 2

DIRECTORS

Section 2.1 Number, Term and Qualifications of Directors. The Company shall be managed by a board of directors of not less than seven (7) or more than thirteen (13) persons, such number as fixed by the board of directors of the Corporation from time to time, and as such board of directors is classified, nominated, and elected as further provided in this Article 2. No person who has reached age 75 shall be elected as a director. Directors in office who reach age 75 shall resign from the board of directors at the end of the calendar year in which they reach age 75.

Section 2.2 Classification of the Board. The directors of the Company 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 within the maximum number permitted by Section 2.1, but not by more than 2. The term of office of the initial Class I directors shall expire at the annual election of directors by the Members of the Company in 2021; the term of office of the initial Class II directors shall expire at the annual election of directors by the Members of the Company in 2022; and the term of office of the initial Class III directors shall expire at the annual election of directors by the Members of the Company in 2023. 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 Company, the directors chosen to succeed those whose terms then expire shall be identified as being of the same class as the directors they succeed. Promptly after the adoption of these Amended and Restated Bylaws, the members of the board of directors then in office shall, by majority vote, classify themselves in accordance with the foregoing.

Section 2.3 Nominations.

(a) Subject to Section 2.3(c), the power to nominate directors to the board of directors of the Company shall rest solely with the board of directors and be carried out in accordance with these Bylaws; and the Members of the Company shall be entitled to vote in the election of directors.

(b) Any Member may submit the name of any person for consideration by the board of directors for nomination for election as a director of the Company. Each submission by a Member, of a person for consideration for nomination for election as a director must be sent or delivered to the Secretary of the Company at the Company's principal executive office and received by the Secretary no later 180 days prior to the date of the annual meeting at which the election is to occur.

(c) During the term of the Affiliation Agreement dated September 15, 2020 (the “Affiliation Agreement”) by and between the Company and Loudoun Mutual Insurance Company (“Loudoun,” together with its successors by merger, consolidation, conversion or other form of reorganization) and any extension, renewal, modification, amendment, supplement or substitution of the term of the Affiliation Agreement, Loudoun shall have the right, but not the obligation, in each election of directors to designate for nomination for election as directors individuals who, after giving effect to the applicable election, will constitute a majority of the directors in office (the “Loudoun Designees”). Such right of designation shall be exercised by written notice to the Secretary of the Company at the Company’s principal executive office and received by the Secretary no later than 45 days prior to the date of the annual meeting at which the applicable election is to occur, or, in the absence of such notice, by a majority of the Loudoun Designees then serving on the board of directors. Loudoun Designees need not constitute a majority of the directors in any class of directors so long as (i) at all times a majority of the board of directors are Loudoun Designees and (ii) in every election of directors or filling of vacancies there are a sufficient number of Loudoun Designees nominated for election or filling of vacancies such that, after giving effect to the election of such Loudoun Designees or filling of vacancies, a majority of the directors in office will be Loudoun Designees. The failure of Loudoun to exercise its right to make any designation permitted under this Section in connection with any election of directors shall not be construed as a waiver by Loudoun of its right to make any such designation in connection with any future election of directors.

Section 2.4 Vacancies. If, for any reason, a vacancy occurs on the board of directors of the Company, 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, subject always to the requirements of Section 2.3.

Section 2.5 Duties of Directors. All corporate powers of the Company shall be exercised by, or under due authority of, and the business of the Company managed under the direction of the board of directors. The directors shall fix salaries of officers and directors, adopt bylaws, rules and regulations and generally be responsible for the policymaking of the Company. The board of directors shall approve an annual budget and establish policies that are calculated to promote short-term and long-range stability and business growth. The board of directors shall have the right, if it desires, to establish goals for growth and to plan and budget in terms of these goals.

Section 2.6 Meetings of the Board of Directors: Quorum.

(a) The directors shall hold an annual meeting immediately after the annual meeting of the members, or at such other time as the directors may determine. The directors shall elect officers of the Company at the annual meeting. Additionally, the directors shall hold regular meetings at such place, either in or out of the Commonwealth of Pennsylvania, and at such times as the directors may from time to time determine. Special meetings of the board of

directors may be held whenever called by the Chairman of the board of directors, President, or by a majority of the directors. Any business may be transacted at a special meeting.

(b) At all meetings of the board of directors, the presence of (i) a majority of the directors then in office and (ii) the number of the Loudoun Designees then in office that ensures the Loudoun Designees hold a majority of the voting directors present, shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present and voting at a meeting at which a quorum is present shall be the acts of the board of directors. If a quorum shall not be present at any meeting of directors, the directors present thereat may adjourn the meeting. It shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken.

Section 2.7 Notice of Meetings of Directors. Oral or written notice of each special meeting of the board of directors shall be given to each director by the President or by someone designated by the President not less than 24 hours prior to the time of the meeting. Written notice includes notice by email if made to a director's valid email address. Notice of a special meeting may be waived by the directors and appearance at a meeting shall constitute a waiver unless the director appears specifically for the purpose of objecting to the meeting. Notice of a special meeting need not describe its purpose. No notice need be given of the regular meetings of the directors provided the same is held at the time and place then customary according to previous action of the board of directors. Notice need not be given as to the annual meeting of the board of directors if the same is held immediately after the annual meeting of the members. If held at another time, then notice of such annual meeting shall be given at least three days prior to the meeting.

Section 2.8 Participation Through Various Means of Communication. Directors may participate in a regular or a special meeting by, or conduct a meeting through the use of, any means of communication by which all directors may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 2.9 General Standards of Conduct for Directors. A director shall discharge his duties in accordance with his good faith judgment of the best interests of the Company. Unless a director has knowledge or information concerning the matter in question that makes reliance unwarranted, a director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

1. One or more officers or employees of the Company whom the director believes, in good faith, to be reliable and competent in the matters presented;
2. Legal counsel, public accountants, or other persons as to matters the director believes, in good faith, are within the person's professional or expert competence; or
3. A committee of the board of directors of which he is not a member if the director believes, in good faith, that the committee merits confidence.

Section 2.10 Action Without Meeting. Any action required or permitted to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all of the members of the board of directors. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this provision becomes effective when the last director signs the consent, unless the consent specifies a different effective date, in which event the action taken is effective as of the date specified provided the consent states the date of execution by each director. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

Section 2.11 Director Conflicts of Interests. A conflict-of-interest transaction is one with the Company in which a director has either a direct or indirect personal interest. A conflict-of-interest transaction shall not be voidable by the Company solely because of a director's interest in the transaction if any one of the following is true:

1. The material facts of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board of directors and the board of directors or the committee authorized, approved or ratified the transaction; or
2. The material facts of the transaction and the director's interest were disclosed to the members entitled to vote and the members authorized, approved or ratified the transaction; or
3. The transaction was fair to the Company.

Section 2.12 Definition of Indirect Personal Interest. A director of the Company shall be deemed to have an indirect personal interest in a transaction if (a) another entity in which the director has a material financial interest or in which he is a general partner is a party to the transaction, or (b) another entity of which he is a director, an officer or a trustee is a party to the transaction and the transaction is or should be considered by this board of directors. A vote or consent of an entity in which the director has an interest is deemed a vote or consent of the director.

Section 2.13 Approval of Conflict-of-Interest Transaction. In instances where the material facts of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board of directors, the transaction will be deemed authorized, approved or ratified if it receives the affirmative vote of a majority of the directors on the board of directors, or on the committee, who have no direct or indirect personal interest in the transaction. Such a transaction may not, however, be authorized, approved or ratified by a single director. If a majority of the directors who have no direct or indirect personal interest in the transaction vote to authorize, approve or ratify the transaction, all quorum requirements will be deemed met for purposes of taking action under this bylaw.

ARTICLE 3

OFFICERS

Section 3.1 Title, Term and Qualifications.

(a) *Principal Officers.* The board of directors shall at its annual meeting elect the officers of the Company. The officers shall be a Chairman of the board of directors, a President (also interchangeably referred to as the “Chief Executive Officer”), a Secretary, a Treasurer, and a Chief Financial Officer. The board of directors may also elect such additional officers as it deems appropriate.

(b) *Assistant Officers.* The President may appoint assistant officers subordinate to those appointed under paragraph (a) of this section.

(c) *Directors of the Company.* The President and Chairman of the board of directors must be directors, but the other officers and assistant officers need not be directors.

(d) *Term.* Officers shall be elected for a term of one year but shall hold such office only at the pleasure of the board of directors. Assistant officers appointed by the President under paragraph (b) of this section shall hold office at the pleasure of the President.

(e) *Multiple offices.* Any two or more offices may be held by the same person.

Section 3.2 Vacancies. Vacancies for unexpired terms of officers shall be filled by the board of directors. In the event of resignation of an officer made effective at a later date and accepted by the Company, the directors may fill the pending vacancy before the effective date, but the successor shall not take office until such effective date.

Section 3.3 Duties of the Chairman of the Board of Directors. The Chairman of the board of directors shall be a link between the board of directors and management of the Company. He shall serve as chairman of and preside at the meetings of the members and meetings of the board of directors and shall perform such other duties as may be assigned to him from time to time by the directors. By reason of his office, he shall have the right to attend all meetings of committees but shall have no vote unless designated as a voting member of such committee by the board of directors.

Section 3.4 Duties of the President. The President shall be the Chief Executive Officer of the Company and shall have general management and control of the business and affairs of the Company, subject to the policies established by the board of directors. The President shall be a director and keep the board informed of major issues and developments that affect the Company and of management’s position and plans with regard to these issues. He shall, when appropriate, engage the board of directors in a discussion of such issues and developments while management’s position and plans are still being developed. He shall respond to board of directors and committee requests for information. In addition, he shall provide for officers and employees of the Company to respond on their own behalf, as well as his, in accordance with a policy communicated to the organization. He shall cooperate with the Chairman of the board of directors in developing board of directors and committee meeting schedules and agendas that

meet the needs of the board of directors and of management. He shall maintain with the Chairman of the board of directors a mutual communication system to meet each other's needs. The President shall perform generally such other duties as may be delegated to him by the board of directors.

Section 3.5 Duties of the Secretary. The Secretary shall have responsibility for preparing and maintaining custody of minutes of meetings of the directors and members and for authenticating records of the Company. The Secretary shall further perform such duties as are assigned by the board of directors or the President. The Secretary shall attend all regular sessions of meetings of the board of directors and shall attend meetings of committees at the request of the chairman of any such committee. The Secretary shall cause to be kept the minutes of all committee meetings attended by him.

Section 3.6 Duties of the Treasurer. The Treasurer shall receive, safely keep and in keeping with policies established or condoned by the board of directors disburse Company funds, keep such appropriate and accurate books and accounts as are necessary to show in detail all matters handled by him. Additionally, he shall have such powers and perform such other duties as are usually exercised and performed by the Treasurer of a business corporation or as may be assigned to him by the board of directors or by the President. He shall attend all regular sessions of meetings of the board of directors and shall attend meetings of committees at the request of the chairman of any such committee.

Section 3.7 Duties of the Chief Financial Officer. The Chief Financial Officer shall have responsibility for monitoring, evaluating, and reporting on the financial performance and condition of the Company. The Chief Financial Officer further shall develop and review with the board of directors short and long-range financial forecasts that will assure the long-term financial soundness and solvency of the Company. The Chief Financial Officer shall take appropriate action to cause all corporate level financial and regulatory reports to be duly filed in accordance with applicable laws and regulations and shall be responsible for monitoring the Company's investment portfolio, including the placement of investments in accordance with directions from the board of directors and the Company's investment policy.

Section 3.8 Duties of Other Officers. Other officers of the Company shall have and perform such duties as are assigned to them by the board of directors or by the President.

Section 3.9 Facsimile Signatures. Any officer's signature may be by facsimile except on negotiable instruments, provided that signatures on checks may also be by facsimile within limits and safeguards approved by management.

ARTICLE 4

COMMITTEES

Section 4.1 Standing Committees. There shall be three standing committees consisting of the Audit Committee, the Nominating and Corporate Governance Committee, and the Compensation Committee. Each of these committees shall consist of at least three persons, all of whom are appointed by the board of directors. Each committee shall have a chairman selected from among its members and appointed by the board of directors. The members of each standing committee shall serve a one-year term. Members and chairmen are eligible for reappointment or reelection. All meetings of these committees shall be held with no less than 24 hours' notice, either oral or written, given to each member. The chairman of each committee shall provide a report to the board of directors summarizing issues addressed and action taken or recommended by the committee. A majority of the members of each committee shall constitute a quorum of that committee.

Section 4.2 Audit Committee. The Audit Committee shall meet annually or more often as needed. It shall recommend to the board of directors the appointment of a firm of independent public accountants (the "auditors") to audit the accounts of the Company. It shall oversee the activities of the auditor, shall review matters associated with financial reporting and internal controls and shall, if requested by the board of directors, submit reports to the board of directors concerning the audit.

Section 4.3 Compensation Committee. The Compensation Committee shall meet annually or more often as needed. It shall have the responsibility of providing general oversight for the Company's compensation program, including salaries and benefits and specific compensation recommendations for officers. It shall further have oversight and responsibility for the development and implementation of incentive compensation programs for management. It shall conduct performance appraisals, as requested, of the President.

Section 4.4 Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall meet annually or more often as needed. It shall have the responsibility for providing general oversight for corporate governance matters including the development and implementation of the appropriate governance policies and procedures to assure that the board of directors is appropriately constituted and equipped to meet its fiduciary obligations to policyholders. 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 4.5 Other Committees. The board of directors may appoint special committees whose membership is selected by a majority of the board of directors. These committees so constituted and appointed shall serve at the pleasure of the board of directors and shall, through the chairman of each, from time-to-time report to and advise the board of directors within the committee's particular area of responsibility and interest. The board of directors may provide, by resolution applicable to all such special committees, for the organization and conduct of the business of the committees.

Section 4.6 Changes in Committee Membership: Filling of Vacancies. The board of directors may remove any member from any committee. Any vacancy in a committee shall be filled by appointment by the board of directors. The board of directors may, at any time, discharge any committee except a standing committee.

Section 4.7 Action of Committees Without a Meeting. Any action required or permitted to be taken by a committee of the board of directors may be taken without a meeting if all members of the committee consent to the action in writing either before or after the action is taken and the writing or writings evidencing such consent are filed with the minutes of proceedings of such committee. For all purposes of these bylaws, any such consent shall constitute a resolution duly passed by such committee.

Section 4.8 General Action of Committees. Any committee established under these bylaws shall have the right to examine all reports that are relevant to its work made by the Company or a subsidiary to regulatory authorities and of examinations of the Company or any of its subsidiaries made by regulatory authorities.

ARTICLE 5

INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES

Section 5.1 Scope of Indemnification.

(a) **General Rule.** The Corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability except:

(i) Where such indemnification is expressly prohibited by applicable law;

(ii) Where the conduct of the indemnified representative has been finally determined:

A. to constitute willful misconduct or recklessness within the meaning of 15 Pa.C.S. 513(b) and 1746(b) or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

B. to be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

C. to the extent such indemnification has been finally determined in a final adjudication to be otherwise unlawful.

(b) **Partial Payment.** If an indemnified representative is entitled to indemnification in

respect of a portion, but not all, of any liabilities to which such person may be subject, the Corporation may indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

(c) **Presumption.** The termination of a proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the indemnified representative is not entitled to indemnification.

(d) **Definitions.** For purposes of this Article:

(i) “indemnified capacity” means any and all past, present and future service by an indemnified representative in one or more capacities as a director, officer, employee or agent of the Corporation, or, at the request of the Corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

(ii) “indemnified representative” means any and all directors and officers of the Corporation and any other person designated as an indemnified representative by the Board of Directors of the Corporation (which may, but need not include any person serving at the request of the Corporation, as a director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

(iii) “liability” means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense of any nature (including, without limitation, attorneys’ fees and disbursements); and

(iv) “proceeding” means any threatened, pending or completed action, suit, appeal or proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation, a class of its members or otherwise.

Section 5.2 Proceedings Initiated by Indemnified Representatives. Notwithstanding any other provision of this Article, the Corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counterclaims or affirmative defenses) or participated in as an intervenor or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the Directors in office. This Section does not apply to a reimbursement of expenses incurred in successfully prosecuting the rights of an indemnified representative granted by or pursuant to this Article.

Section 5.3 Advancing Expenses. The Corporation shall pay the expenses (including attorneys’ fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of the proceeding described in Section 5.01 above and for those proceedings for which the initiation of or participation in which is authorized pursuant to Section 5.02 above upon receipt of an undertaking by or on behalf of the indemnified representative to

repay the amount if it is ultimately determined that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

Section 5.4 Securing of Indemnification Obligations. To further effect satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the Corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board of Directors shall deem appropriate. Absent fraud, the determination of the Board of Directors with respect to such amounts, costs, terms and conditions shall be conclusive against all members, officers and directors and shall not be subject to voidability.

Section 5.5 Payment of Indemnification. An indemnified representative shall be entitled to indemnification with thirty (30) days after a written request for indemnification has been delivered to the secretary of the Corporation.

Section 5.6 Contribution. If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

Section 5.7 Mandatory Indemnification of Directors, Officers, Etc. To the extent that an authorized representative of the Corporation has been successful on the merits or otherwise in defense of any action or proceeding referred to in 15 Pa.C.S. 1741 or 1742 or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees and disbursements, actually and reasonably incurred by such person in connection therewith.

Section 5.8 Contract Rights: Amendment or Repeal. All rights under this Article 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 5.9 Scope of Article. The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of Members or disinterested directors or otherwise both as to action in an indemnified capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

Section 5.10 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 in this Article.

Section 5.11 Interpretation. The provisions of this Article are intended to constitute bylaws authorized by 15 Pa.C.S. 513 and 1746. The foregoing right of indemnification shall not be exclusive of any other right to which such person shall be entitled as a matter of law.

Section 5.12 Personal Liability. To the fullest extent permitted by Pennsylvania law, as now in effect and as amended from time to time, a director or officer of the Corporation shall not be personally liable to the Corporation or its Members for any monetary damages for any action taken or any failure to take any action or for breach of any duty owed to the Corporation or its Members.

Section 5.13 Insurance. The Corporation shall have the right to purchase and maintain insurance on behalf of any director or officer against any expenses and liabilities incurred in any proceeding referred to above by reason of his or her being or having been such director or officer, whether or not the Corporation has the power to indemnify such person against such expenses and liabilities under the PBCL.

ARTICLE 6

CHANGE OF ADDRESS

Section 6.1 Change of Address of Member. Any member acquiring a post office address, e-mail address or facsimile number other than that shown on the Company records shall immediately notify the Company in writing in a reasonably acceptable manner (including by post, express courier, e-mail or facsimile) of such new address or number. Until receipt of such notice the Company may treat the last post office address, e-mail address or facsimile number shown on its records as the correct address or number of the member.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Audits. At least once a year the board of directors shall secure a certified audit of the books and accounts of the Company with a written report. Any member may obtain a copy of the entire report upon request.

Section 7.2 The Seal. The seal of the Company, if any, shall bear the words the name of the Company and the year of its incorporation and the word "Pennsylvania."

Section 7.3 Construction. Whenever the context requires, the gender of any word used in these Bylaws includes the masculine, feminine, or neuter, and the number of any word includes the singular or plural. All references to articles and sections refer to articles and sections of these Bylaws. The headings in these Bylaws are for convenience only; they do not form a part of these Bylaws and shall not affect their interpretation.

Section 7.4 Amendment of Bylaws. These bylaws may be amended by the board of directors, subject to any required approval by the Pennsylvania Department of Insurance. In the event of amendment by the board of directors, the notice of intention to amend the bylaws shall be given in the notice of the directors' meeting at which the proposed amendment is to be considered.

Proposed Amended and Restated
Articles of Incorporation of
Protection Mutual Insurance Company of Littlestown

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN**

1. The name of the Corporation is **Protection Insurance Company of Littlestown**.
2. The location and post office address of the registered office of the Corporation in this Commonwealth is 101 S. Queen Street, Littlestown, Pennsylvania 17340.
3. The Corporation is incorporated under the provisions of the Pennsylvania Associations Code (“**PAAC**”). The purpose of the Corporation is, and it shall have unlimited power, to engage in and to perform any lawful act concerning, any and all lawful business for which a company may be incorporated under the PAAC.
4. The term of the Corporation's existence is perpetual.
5. The aggregate number of shares of capital stock which the company shall have authority to issue is 300,000 shares of common stock, with a par value of \$5.00 per share.
6. 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.
7. 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.
8. The management, control, and government of the Corporation shall be vested in a board of directors consisting of not less than fifteen (15) members in number, as fixed by the board of directors of the Corporation from time to time.
9. 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.

IN TESTIMONY WHEREOF, a duly authorized officer of the Corporation has signed these Amended and Restated Articles of Incorporation as of _____, 2023.

Ronald E. Dehoff, President

Proposed Statement of Merger of
Protection Mutual Insurance Company of Littlestown
With and Into
Community Insurance Company

B. For the merging association(s) that are not surviving the merger:

1. The name of the merging association is: Protection Insurance Company of Littlestown

2. The jurisdiction of formation of the merging association: Pennsylvania

3. The type of association is (check only one):

- | | | |
|--|--|---|
| <input checked="" type="checkbox"/> Business Corporation | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Business Trust |
| <input type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Limited Liability (General) Partnership | <input type="checkbox"/> Professional Association |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Limited Partnership | <input type="checkbox"/> Other _____ |

4. Check and complete one of the following addresses.

<input checked="" type="checkbox"/>	<p>If the merging association is a domestic filing association, domestic limited liability partnership or registered foreign association, the current registered office address as on file with the Department of State. <i>Complete part (a) OR (b) – not both:</i></p> <p>(a) <u>101 South Queen Street</u> <u>Littlestown</u> <u>PA</u> <u>17340</u> <u>Adams</u> <small>Number and street City State Zip County</small></p> <p>(b) c/o: _____ <small>Name of Commercial Registered Office Provider County</small></p>
<input type="checkbox"/>	<p>If the merging association is a domestic association that is not a domestic filing association or limited liability partnership, the address, including street and number, if any, of its principal office:</p> <p>_____ <small>Number and street City State Zip County</small></p>
<input type="checkbox"/>	<p>If the merging association is a nonregistered foreign association, the address, including street and number, if any, of its registered or similar office, if any, required to be maintained by the law of its jurisdiction of formation; or if it is not required to maintain a registered or similar office, its principal office address:</p> <p>_____ <small>Number and street City State Zip</small></p>

**Use Statement of Merger – Addendum (DSCB:15-335AD)
for additional merging parties that are not surviving the merger.**

C. Effective date of statement of merger (check, and if appropriate complete, one of the following):

- This Statement of Merger shall be effective upon filing in the Department of State.
- This Statement of Merger shall be effective on: _____ at _____.
Date (MM/DD/YYYY) Hour (if any)

D. Approval of merger by merging associations (check all applicable statement(s)):

- For domestic entities – The merger was approved in accordance with 15 Pa.C.S. Chapter 3, Subchapter C (relating to merger).
- For foreign associations – The merger was approved in accordance with the laws of the jurisdiction of formation.
- For domestic associations that are not domestic entities – The merger was approved by the interest holders of the merging association in the manner required by its organic law.

E. Attachments (see Instructions for required and optional attachments).

IN TESTIMONY WHEREOF, the undersigned merging associations have caused this Statement of Merger to be signed by duly authorized officers thereof this _____ day of _____, 20 _____.

_____	_____
Name of Merging Association	Name of Merging Association
_____	_____
Signature	Signature
_____	_____
Title	Title

Pennsylvania Department of State
Bureau of Corporations and Charitable Organizations
P.O. Box 8722
Harrisburg, PA 17105-8722
(717) 787-1057
web site: www.dos.pa.gov/corps

General Information

Typewritten is preferred. If handwritten, the form must be legible and completed in black or blue-black ink in order to permit reproduction. The nonrefundable filing fee for this form is \$70 plus an additional \$40 for *each* association that is a party to the merger. For a merger between two parties, for example, a total filing fee of \$150 is assessed.

This form and all accompanying documents, including any necessary governmental approvals, shall be mailed to the address stated above.

Checks should be made payable to the Department of State. Checks must contain a commercially pre-printed name and address.

Applicable Law

The Association Transactions Act, effective July 1, 2015, sets out the procedural aspects of mergers for all entity types. See, in general, 15 Pa.C.S. §§ 311-330; for merger, 15 Pa.C.S. §§ 331-336. The requirements for the Statement of Merger are set forth in 15 Pa.C.S. § 335. Statutes are available on the Pennsylvania General Assembly website, www.legis.state.pa.us, by following the link for Statutes.

Who should file this form?

A Statement of Merger must be filed with the Pennsylvania Department of State where the merger includes one of the following:

- (1) One or more domestic entities merging with one or more domestic entities or foreign associations into a surviving association.
- (2) Two or more foreign associations merging into a surviving association that is a domestic entity.
- (3) A domestic banking institution is a merging association or surviving association in a merger with one or more domestic or foreign associations if the surviving association or at least one of the merging associations is a domestic entity.

Additional parties

Where more than two associations are parties to the merger, the DSCB:15-335AD (Statement of Merger - Addendum) must be completed, contain the appropriate signatures and be attached to this form.

Definitions

A **merger** is a transaction in which two or more merging associations are combined into a surviving association. The result is one association that continues in existence after the merger or is created by the merger. The association surviving the merger may be one of parties to the merger or a newly created entity (formerly called a consolidation).

A **domestic filing association** is a Pennsylvania business corporation, nonprofit corporation, limited partnership, limited liability company, professional association or business trust. A **registered foreign association** is a foreign association (formed in a jurisdiction other than Pennsylvania) that is registered to do business in this Commonwealth pursuant to a filing made in the Department of State.

Public organic record refers to Articles of Incorporation (for corporations), Certificate of Limited Partnership (limited partnerships), Certificate of Organization (limited liability companies), Articles of Association (professional association) or Declaration or Deed of Trust (business trusts).

Form Instructions

Enter the name and mailing address to which any correspondence regarding this filing should be sent. This field must be completed for the Bureau to return the filing. If the filing is to be returned by email, an email address must be provided. An email will be sent to address provided, containing a link and instructions on how a copy of the filed document or correspondence may be downloaded. Any email or mailing addresses provided on this form will become part of the filed document and therefore public record.

A. For the surviving association

A.1. Give the exact name of the surviving association. “Surviving association” means the entity that continues in existence after or is created as a result of a merger. 15 Pa.C.S. § 312. If the surviving association is an existing Pennsylvania filing entity or limited liability partnership, or is a foreign association or foreign limited liability partnership already registered in Pennsylvania, the name on this line must match exactly the association name as shown in Department’s records at the time the Statement is submitted for filing. NOTE – if the surviving association is a new entity, be sure to include within the name the appropriate association designator. For example, if a new corporation is being created as the surviving association, an acceptable corporate identifier must be part of the association name. For domestic filing entity name requirements, see 15 Pa.C.S. §§ 201-207. For foreign association name requirements, see 15 Pa.C.S. § 412 and § 414. Statutes are available on the Pennsylvania General Assembly website, www.legis.state.pa.us, by following the link for Statutes. **This field is required.**

A.2. Give the jurisdiction of formation of the surviving association. “Jurisdiction of formation” means the jurisdiction whose law includes the governing statute of the entity. For example, if the surviving association is a Pennsylvania corporation, then the jurisdiction of formation is Pennsylvania. **This field is required.**

A.3. Check the appropriate box to indicate the surviving association type. Only one box may be checked. **This field is required.**

A.4. Check and complete one of the boxes and supply an address, based on the criteria given. Follow the instruction beside the box which has been checked for attachments, if any. **This field is required.**

If the association surviving the merger is a domestic filing association, domestic limited liability partnership or registered foreign association, the address provided must be of its registered office (a) or Commercial Registered Office Provider (b) as on file with the Department of State.

If the association surviving the merger is a domestic association that is not a domestic filing association or limited liability partnership, the address given must be the principal office, including street and number, if any.

If the association surviving the merger is a nonregistered foreign association, the address provided must be the address, including street and number, if any, of its registered or similar office required to be maintained by the law of its jurisdiction of formation; or if it is not required to maintain a registered or similar office, its principal office.

Post office boxes are not acceptable for any address. Under 15 Pa.C.S. § 135(c) (relating to addresses) an actual street or rural route box number must be used as an address, and the Department of State is required to refuse to receive or file any document that sets forth only a post office box address.

B. For the merging association(s).

Complete the requested information for all merging associations that do not survive the merger.

B.1. Give the exact name of each merging association that is merged out of existence. “Merging association” means an association that is a party to a merger and exists immediately before the merger becomes effective. 15 Pa.C.S. § 312. If the merging association is an existing Pennsylvania filing entity or domestic limited liability partnership, or is a foreign association or foreign limited liability partnership already registered in Pennsylvania, the name on this line must match exactly the association name as shown in Department’s records at the time the Statement is submitted for filing. **This field is required.**

B.2. Give the jurisdiction of formation of the surviving association. “Jurisdiction of formation” means the jurisdiction whose law includes the governing statute of the entity. For example, if the surviving association is a Pennsylvania corporation, then the jurisdiction of formation is Pennsylvania. **This field is required.**

B.3. Check the appropriate box to indicate the merging association type. Only one box may be checked. **This field is required.**

B.4. Check and complete one of the boxes and supply an address for the merging association, based on the criteria

given. **This field is required.**

If the merging association (not surviving the merger) is a domestic filing association, domestic limited liability partnership or registered foreign association, the address provided must be of its registered office (a) or Commercial Registered Office Provider (b) as on file with the Department of State.

If the merging association is a domestic association that is not a domestic filing association or limited liability partnership, the address given must be the principal office, including street and number, if any.

If the merging association is a non-registered foreign association, the address provided must be the address, including street and number, if any, of its registered or similar office required to be maintained by the law of its jurisdiction of formation; or if it is not required to maintain a registered or similar office, its principal office.

Post office boxes are not acceptable for any address. Under 15 Pa.C.S. § 135(c) (relating to addresses) an actual street or rural route box number must be used as an address, and the Department of State is required to refuse to receive or file any document that sets forth only a post office box address.

C. Effective date. Any date specified as the effective date of the Statement of Merger must be a future effective date (after the date and time of its delivery to the Department). A specified effective date may not be retroactive (prior to the date and time of the Statement’s delivery to the Department). If a delayed effective date is specified, but no time is given, then the time used will be 12:01 a.m. on the date specified. If neither option for effective date is checked, it will be presumed that no specified delayed effective date is intended and the document will be effective upon filing. **This field is required.**

D. Approval. See 15 Pa.C.S. § 335(b)(4) and 15 Pa.C.S. §§ 321-330, which set forth the requirements for approval of entity transactions such as mergers by the associations involved. Statutes are available on the Pennsylvania General Assembly website, www.legis.state.pa.us, by following the link for Statutes. **This field is required.**

E. Attachments

The following, in addition to the filing fee, shall accompany this form:

- (1) One copy of a completed form DSCB:15-134B (Docketing Statement-Changes).

The surviving association type determines what additional documents and fees must be attached. The following, in addition to the filing fee and the mandatory attachment above, may be required to accompany this form:

- (2) One copy of a completed form DSCB: 15-134A (Docketing Statement), with respect to any newly created surviving association, unless the surviving association is a nonregistered foreign association.
- (3) Any necessary copies of form DSCB:19-17.2

(Consent to Appropriation of Name) or a resolution from the association’s governors adopting an alternate name, if applicable, shall accompany a Statement of Merger effecting a change of name or creating a new Pennsylvania or registered foreign entity.

(4) Any necessary governmental approvals. A merger involving a regulated entity may require approval of a government agency before it can become effective. *See* 15 Pa.C.S. § 103.

(5) If the surviving association existed before the merger and is a Pennsylvania filing entity and is amending its public organic record as approved in the plan of merger, then an Amendment to the public organic record must be attached. For example, DSCB:15-1915/5915 (Articles of Amendment – Domestic Corporation) or DSCB:15-8512/8951 (Certificate of Amendment - Limited Partnership/Limited Liability Company).

(6) If the surviving association is a new Pennsylvania filing entity, one copy of its public organic record must be attached. For example, a completed form DSCB:15-1306-7102 (Articles of Incorporation-For Profit), DSCB:15-5306-7102 (Articles of Incorporation-Nonprofit), DSCB:15-8511 (Certificate of Limited Partnership), DSCB:15-8913 (Certificate of Organization) or other public organic record must be attached to the Statement of Merger with respect to the surviving domestic filing entity.

(7) If the surviving association is a new Pennsylvania limited liability partnership or limited liability limited partnership that is not using the alternative procedure in section 8201(f) (relating to scope), a completed DSCB:15-8201 (Statement of Registration) must be attached to the Statement of Merger.

(8) If the surviving association is a Pennsylvania electing partnership, its completed DSCB:15-8701A (Statement Electing Partnership) must be attached to the Statement of Merger.

(9) If the surviving association is a foreign filing association or foreign limited liability partnership already registered with the Department of State, a completed DSCB:15-413 (Amendment – Foreign Registration Statement) or DSCB:15-418 (Transfer of Registration – Foreign) approved as part of the plan of merger, if applicable.

(10) If the surviving association is a foreign filing association or a foreign limited liability partnership that will register simultaneously to transact business in Pennsylvania as a result of the merger, a completed DSCB: 15-412 (Foreign Registration Statement), accompanied by the applicable fee and attachments, must be submitted at the same time as the Statement of Merger.

(11) Tax clearance certificates. A foreign association may be a party to a merger notwithstanding the fact that it has not been authorized to do business in Pennsylvania. However, if the surviving association is a foreign association that is not, and will not, be registered with the Department of State, there must be submitted

with this form tax clearance certificates from the Department of Revenue and the Department of Labor and Industry with respect to each merging domestic association and registered foreign association evidencing the payment of all taxes and charges payable to the Commonwealth.

NOTE: Any Articles, Application, Statement or Registration attached to the Statement of Merger must separately meet all the statutory filing requirements for that document type. However, if the surviving association is a domestic filing entity, its public organic record does not need to be signed or state the name or address of an incorporator of a corporation, organizer of a limited liability company or similar person with respect to any other type of entity.

Other provisions

A statement of merger may contain any other provision not prohibited by law. If other provisions are intended to be part of the Statement of Merger, they should be attached as an exhibit.

Signature and Verification

An authorized representative of each merging association must sign the Statement of Merger. If the surviving association is also a merging association, the surviving association must also sign. Signing a document delivered to the Department for filing is an affirmation under the penalties provided in 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities) that the facts stated in the document are true in all material respects. **This field is required.**

Filing of Plan of Merger in lieu of Statement of Merger

Pursuant to 15 Pa.C.S. §335(e), a plan of merger that is signed by all of the merging associations and meets all of the requirements of §335 (b) (relating to Contents of Statement of Merger) may be delivered to the Department for filing instead of a Statement of Merger.

Pursuant to 15 Pa.C.S. §316(a), a plan as delivered to the Department for filing in lieu of a statement of merger may omit all provisions of the plan except provisions, if any, that:

- (1) are intended to amend or constitute the operative provisions of the public organic record of a domestic association as in effect subsequent to the effectiveness of the plan;
- (2) are required by this chapter in the statement in lieu of which the plan is being delivered to the department for filing; or
- (3) allocate or specify the respective property and liabilities of the resulting associations, in the case of a plan of division.

However, if any of the provisions of a plan are omitted as permitted under §316 (a), the plan must state that the full text of the plan is on file at the principal office of the surviving or resulting association or domesticated entity and provide the address thereof in the filing made with the Department.

EXHIBIT 4

Community Insurance Company
Board of Directors Post-Merger With
Protection Mutual Insurance Company of Littlestown

Richard C. Shickle (Chair)
James J. Gardner (President)
Donald A. Butler
Mary M. Finnell
John E. Freund III
M. Byrd Inskip
Mark J. Keyser
Roger E. Needham
C. William Orndoff Jr.
John R. Riley Jr.
Christopher G. Shipe
Robert W. Smalley Jr.
Michael A. Yeager - Ex-Officio

EXHIBIT 5

Proxy Materials for Meeting of Eligible Protection Members to Approve the Plan
[DRAFT]

(see attached)

Proxy Statement for
Meeting of Members of
Protection Mutual Insurance Company of Littlestown

NOTICE OF SPECIAL MEETING OF ELIGIBLE MEMBERS
TO BE HELD _____, 2023

TO ELIGIBLE MEMBERS OF PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN:

Notice is hereby given that the Special Meeting of Eligible Members (the “*Special Meeting*”) of Protection Mutual Insurance Company of Littlestown (the “*Company*” or “*PMIC*”) will be held at _____ a.m., local time, on _____, _____, 2023, at the Company’s administrative office at 101 South Queen Street, Littlestown, Pennsylvania 17340 to consider and vote upon the following:

1. the adoption and approval of a Amended and Restated Articles of Incorporation of the Company (a copy of which is enclosed and labeled as Exhibit A);
2. the adoption and approval of an Agreement and Plan of Conversion and Merger (the “*Plan of Merger*”) (a copy of which is enclosed and labeled as Exhibit B);
3. the adoption and approval of the proposed Statement of Merger of PMIC (a copy of which is enclosed and labeled as Exhibit C);
4. a proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies in the event that there are not sufficient Eligible Members present in person or by proxy to establish a quorum or there are not sufficient votes at the time of the Special Meeting to approve the Amended and Restated Articles of Incorporation, the Plan of Merger and the Statement of Merger; and
5. to transact any other business that may properly come before the Special Meeting or any adjournment or postponement thereof.

In accordance with the Company’s Bylaws, action of the Board of Directors, the Plan of Merger and the provisions of Title 40, Section 912-A of the Pennsylvania Insurance Laws, only those persons who were members of the Company whose policy was in force on December 6, 2022, which is the date the Board of Directors of the Company adopted the Plan of Merger, are entitled to notice of and to vote at the Special Meeting and any adjournment or postponement thereof.

Whether or not you plan to attend the Special Meeting, your vote is very important, and we encourage you to vote promptly. To vote, please mark, sign, and date the enclosed proxy and mail it promptly in the enclosed, postage-paid return envelope. Your proxy will not be valid if received at the Company’s offices after the Meeting is adjourned. If you execute a proxy but later decide to attend the Special Meeting in person, your proxy may be revoked and you may vote in person.

By Order of the Board of Directors,

Scott A. Hawk

Secretary

Littlestown, Pennsylvania
_____, 2023

PROXY STATEMENT

Your proxy, in the form enclosed, is solicited by the board of directors of Protection Mutual Insurance Company of Littlestown (“**PMIC**” or the “**Company**”) for use at a Special Meeting of its members to be held on _____, _____, 2023 and any adjournment of that meeting, for the purposes set forth below. Only persons owning policies issued by the Company that were in force at the close of business on December 6, 2022 are entitled to notice of and to vote at the Special Meeting. The board of directors urges you to sign and return your proxy even if you plan to attend the Special Meeting.

IMPORTANT NOTICE

The proposed Amended and Restated Articles of Incorporation and the Plan of Merger described in this Proxy Statement were approved by the Pennsylvania Department of Insurance (the “**Insurance Department**”). Approval of the Amended and Restated Articles of Incorporation and the Plan of Merger by the Insurance Department does not constitute or imply that the Insurance Department has endorsed the Amended and Restated Articles of Incorporation or Plan of Merger described in this Proxy Statement, nor does such approval constitute investment advice or a recommendation by the Insurance Department on how you should vote on the Plan of Merger.

Introduction

A special meeting of the Eligible Members (defined below) of PMIC will be held at the Company’s administrative office at 101 South Queen Street, Littlestown, Pennsylvania 17340 on _____, _____, 2023 at _____ a.m., local time (the “**Special Meeting**”). The purpose of the Special Meeting is to consider and vote upon (i) proposed Amended and Restated Articles of Incorporation (a copy of which is enclosed and labeled as Exhibit A), (ii) an Agreement and Plan of Conversion and Merger, as amended (the “**Plan of Merger**”) (a copy of which is enclosed and labeled as Exhibit B), and (iii) the proposed Statement of Merger of PMIC with and into Community Insurance Company (a copy of which is enclosed and labeled as Exhibit C). The Amended and Restated Articles of Incorporation and the Plan of Merger have been adopted by the Company’s board of directors and approved by the Insurance Department. If the Plan of Merger is approved at the Special Meeting, the Company will convert to a stock insurance company and immediately thereafter merge with and into Community Insurance Company (“**Community**”), a Pennsylvania stock insurance company (the “**Merger**”) pursuant to the provisions of Chapter 2, Article VIII-A of Title 40 of the Pennsylvania Insurance Law (the “**Act**”).

“**Eligible Members**” are the persons who were named insureds under PMIC insurance policies that were in force on December 6, 2022, which is the date the board of directors of the Company adopted the Plan of Merger.

Overview of the Merger

PMIC currently exists and operates as a mutual insurance company. This means PMIC has no shareholders. Instead, PMIC has members consisting of the policyholders who have insurance coverage with PMIC.

Under the Act, a Pennsylvania mutual insurance company, such as PMIC, can adopt a plan to convert from a mutual insurance company to a stock insurance company. Such a plan can be in the form of a merger of a mutual insurance company into a stock insurance company. Because PMIC is merging with and into Community, a stock insurance company, PMIC will convert to a stock insurance company by filing the Amended and Restated Articles of Incorporation to be effective immediately prior to the Effective Time of the Merger. PMIC’s board of directors believes that the Merger is in the best interest of the Company because the Merger will provide the Eligible Members with an insurance company with more financial strength and with enhanced strategic and financial flexibility. The Company’s board of directors further believes that the transaction is fair and equitable, is consistent with the purpose and intent of the Act, and will not prejudice the interests of PMIC’s members.

In its present structure as a mutual insurance company, PMIC can increase its statutory capital only through earnings generated by PMIC. Reliance on earnings to provide a long-term source of permanent capital, however, limits the Company’s ability to develop new business, offer new insurance products, make acquisitions, and provide

greater stability and protection for the Company's policyholders.

PMIC's board of directors adopted the Plan of Merger on December 6, 2022. As set forth in further detail below, through the Merger PMIC will merge with and into Community, with Community continuing as the surviving entity, and the separate existence of PMIC will terminate by operation of law. In addition, after the Merger the Eligible Members of PMIC will be members of Community Holdings Management, Inc., a Pennsylvania insurance mutual holding company.

Completion of the Merger is subject to various conditions, including approval of the Merger by the Eligible Members of PMIC, and receipt of all necessary regulatory approvals.

Information Relating to Voting at the Special Meeting of PMIC Members to Approve the Plan of Merger

In accordance with the terms of PMIC's articles of incorporation and bylaws, the terms of the Plan of Merger and the provisions of the Act, each Eligible Member is entitled to notice of, and to vote at, the Special Meeting. At the Special Meeting, each Eligible Member is entitled to cast one vote on each proposal considered at the Special Meeting.

Approval of each of the Plan of Merger and the Statement of Merger will require the affirmative vote, either in person or by proxy, of at least two-thirds of the votes cast at the Special Meeting.

Eligible Members may vote at the Special Meeting or any adjournment thereof in person or by proxy.¹ Proxies may be voted by returning the proxy card in the envelope provided. All properly executed proxies received by PMIC before or at the Special Meeting will be voted in accordance with the instructions indicated thereon. If no contrary instructions are given, such proxies will be voted in favor of (i) the Plan of Merger, (ii) the Statement of Merger, and (iii) the adjournment of the Special Meeting, if necessary, to solicit additional proxies in the event that there are not sufficient Eligible Members present to establish a quorum or there are not sufficient votes at the time of the Special Meeting to approve the Plan of Merger and the Statement of Merger. If any other matters are properly presented before the Special Meeting, the proxies solicited hereby will be voted on such matters by the proxyholders according to their discretion. Any Eligible Member giving a proxy will have the right to revoke his or her proxy at any time before it is voted by delivering written notice or a duly executed proxy bearing a later date to the Secretary of PMIC at any time prior to or at the Special Meeting or by attending the Special Meeting and voting in person.

The proxies solicited hereby will be used only at the Special Meeting and at any adjournment thereof. They will not be used at any other meeting.

Under the Bylaws of PMIC, a quorum at any regular or special meeting consists of seven (7) members. If Eligible Members do not return a sufficient number of proxies to constitute a quorum at the Special Meeting, those Eligible Members present at the special meeting, in person or by proxy, may vote to adjourn the Special Meeting to a future date in order to provide the Company with additional time to solicit additional proxies.

This Proxy Statement summarizes the Plan of Merger and may not contain all the information that might be important to an Eligible Member in deciding whether to vote for adoption and approval of the Plan of Merger. To understand the Merger fully, Eligible Members should read the Plan of Merger. A copy of the Plan of Merger is attached hereto as Exhibit A.

If for any reason the Plan of Merger is not approved by Eligible Members, the Merger will not be completed.

[remainder of page intentionally left blank]

¹ NTD: PMIC Bylaws state all votes shall be by voice unless otherwise required by law. CIC position is that this vote may be voted by proxy by law under the Act. 40 P.S. Insurance § 913-A(g).

The Parties

Protection Mutual Insurance Company of Littlestown

Protection Mutual Insurance Company of Littlestown is a Pennsylvania mutual insurance company organized on February 15, 1851. Its administrative offices are located at 101 South Queen Street, Littlestown, Pennsylvania 17340, and its telephone number is (717) 359-5840. At December 31, 2021, PMIC had total assets of \$612,854 and total equity of \$492,233. During the year ended December 31, 2021, PMIC had total premiums written of \$428,279. PMIC issues property and casualty insurance policies only in Pennsylvania.

Community Insurance Company

Community Insurance Company (“**Community**”) is a Pennsylvania stock insurance company. Its principal office is located at 1047-49 Hamilton Street, Allentown, Pennsylvania 18101. Community was formed on October 25, 2017 through a mutual-to-stock conversion transaction under the Act.

Charter Lane Holdings, Inc.

Charter Lane Holdings, Inc. (“**Charter Lane**”) is a Pennsylvania corporation and the sole shareholder of Community.

Community Holdings Management, Inc.

Community Holdings Management, Inc. (“**CHM**”) is a mutual holding company domiciled in Pennsylvania and is the sole shareholder of Charter Lane. CHM’s members were formerly members of other Pennsylvania-domiciled mutual insurance companies, and became members of CHM through mutual-to-stock conversion transactions under the Act.

The Company’s Reasons for the Merger

The principal purpose of the Merger is to merge PMIC with and into Community in order to provide the Eligible Members with an insurance company with more financial strength with enhanced strategic and financial flexibility. PMIC’s board of directors believes that the Merger is in the best interest of the Company and its Eligible Members. The Company’s board of directors further believes that the transaction is fair and equitable, is consistent with the purpose and intent of the Act, and will not prejudice the interests of PMIC’s members.

In its present structure as a mutual insurance company, PMIC can increase its statutory capital only through earnings generated by PMIC and its subsidiaries or the sale of surplus notes. Reliance on earnings to provide a long-term source of permanent capital, however, limits the Company’s ability to develop new business, offer new insurance products, make acquisitions, and provide greater stability and protection for the Company’s policyholders.

Details of the Merger

PMIC’s board of directors adopted the Plan of Merger on December 6, 2022. Through the Merger,

1. PMIC will merge with and into Community, with Community continuing as the surviving entity;
2. the separate existence of PMIC will terminate by operation of law;
3. PMIC policyholders who formerly were members of PMIC will no longer be members of PMIC; and
4. each Eligible Member of PMIC immediately prior to the effective time of the Merger shall become a member of CHM.

Completion of the Merger is subject to various conditions, including approval of the Merger by the Eligible

Members of PMIC, and receipt of all necessary regulatory approvals.

Effects of the Merger on Policyholders

In General

Each policyholder of a mutual insurance company, such as PMIC, has certain interests in the insurance company, including the contractual right to insurance coverage and the right to vote when provided by the insurance company's articles of incorporation or bylaws or as provided by law. Policyholders also may have the right to share in a liquidating distribution of the insurer's net worth if the insurer were to voluntarily dissolve and liquidate its business and properties.

A policyholder must have an in-force insurance policy issued by the insurance company in order to be a member of that mutual insurance company. Except to the extent that a membership interest is deemed to have value in connection with the merger of an insurance company from mutual to stock form, this interest as a member has no market value because it cannot be separated from the underlying policy and, in any event, is not transferable. A policyholder whose policy lapses or is cancelled, terminated, or not renewed will lose his or her interest as a member. As of the completion of the Merger, all membership interests in PMIC, except contract rights under policies of insurance, will terminate.

If the Plan of Merger is not approved by the Eligible Members, or if the Merger is not completed for any other reason, PMIC will continue to operate as a mutual insurance company. In that case, members will retain the rights described above.

Continuity of Insurance Coverage and Business Operations

Until the effective time of the Merger, the insurance protection or premiums under PMIC's in-force insurance policies will continue. At the effective time of the Merger, Community will become the issuing insurance company of PMIC's in-force insurance policies. The insurance policies issued by PMIC at the effective time of the Merger will remain in full force and effect under the terms of the policies, with the following exceptions: (i) any voting rights of the policyholders under the policies will be extinguished, and (ii) any right to share in the surplus of PMIC will be extinguished. The Merger will not change the price, benefits, renewability or any other feature, term or condition of a policyholder's insurance coverage.

Voting Rights

After the Merger, PMIC will no longer exist and the voting rights of all members of PMIC will cease.

After the Merger, voting rights in Community will continue to be held by its sole shareholder, Charter Lane. Eligible Members of PMIC will be members of Community Holdings Management, Inc. and will be entitled to vote on any matter to be considered by CHM's members, subject to the terms of CHM's articles of incorporation and bylaws and to the provisions of Pennsylvania law.

Policyholder Dividends

All in-force insurance policies that "participate" or provide for the payment of policy dividends will continue unchanged and any right to the payment of any dividends under such policies will continue. Therefore, the Merger will not cause any policyholder to lose dividend rights or expectancies that may have existed in the period when PMIC operated as a mutual insurance company.

Tax Effects

For United States federal income tax purposes, PMIC and Community intend to the fullest extent applicable that the Merger qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

Community’s Articles of Incorporation and Bylaws

The following is a summary of certain provisions of the Articles of Incorporation and bylaws of Community. which will apply to the Eligible Members of PMIC effective upon the merger of PMIC from a mutual insurance company to a stock insurance company.

Community’s Articles of Incorporation authorize Community to issue 300,000 shares of common stock, \$5.00 par value per share. All of Community’s outstanding common stock will be owned by Charter Lane. Accordingly, exclusive voting rights with respect to the affairs of Community after the Merger will be vested in the board of directors of Charter Lane. However, CMH is the sole shareholder of Charter Lane, and each Eligible Member of PMIC will become a member of CHM at the effective time of the Merger.

Interpretation, Amendment, and Abandonment of the Plan of Merger

All interpretations of the Plan of Merger by the board of directors of PMIC and the board of directors of Community will be final, conclusive, and binding upon all persons. The Plan of Merger may be amended by PMIC’s board of directors at any time before it is approved by the Insurance Department. The Plan of Merger may be abandoned at any time prior to the Effective Time of the Merger by mutual consent of the boards of directors of PMIC and Community.

Adjournment

In the event that there are not sufficient votes to constitute a quorum or to approve the proposal to approve the Plan of Merger and/or the Statement of Merger at the Special Meeting, the proposals could not be approved unless such meeting was adjourned or postponed to a later date or dates in order to permit further solicitation of proxies. In order to allow proxies that have been received by us at the time of the Special Meeting to be voted for adjournment or postponement, you are being asked to consider a proposal to approve the adjournment or postponement of the Special Meeting, if necessary or appropriate, including to permit further solicitation of proxies if necessary to obtain additional votes in favor of the proposals.

If there are sufficient votes to constitute a quorum and approve the proposal to approve and adopt the Plan of Merger and the Statement of Merger at the Special Meeting, the chairman of the Special Meeting may determine that no action will be taken on the proposal to adjourn.

* * * * *

RECOMMENDATION OF THE BOARD OF DIRECTORS

The board of directors recommends that you vote “FOR” approval of the Amended and Restated Articles of Incorporation, “FOR” approval of the Plan of Merger, “FOR” approval of the Statement of Merger, and “FOR” the adjournment of the Special Meeting, if necessary, to solicit additional proxies.

ADDITIONAL INFORMATION

WE URGE YOU TO CONSIDER CAREFULLY THIS PROXY STATEMENT, INCLUDING PARTICULARLY THE AGREEMENT AND PLAN OF CONVERSION AND MERGER THAT ACCOMPANIES THIS PROXY STATEMENT. WHETHER OR NOT YOU PLAN TO BE PRESENT IN PERSON AT THE SPECIAL MEETING, WE REQUEST THAT YOU FILL IN, DATE, SIGN, AND RETURN THE ENCLOSED PROXY AS SOON AS POSSIBLE TO ASSURE THAT YOUR VOTE WILL BE COUNTED. IF YOU EXECUTE A PROXY BUT LATER DECIDE TO ATTEND THE SPECIAL MEETING IN PERSON, YOUR PROXY MAY BE REVOKED AND YOU MAY VOTE IN PERSON. YOUR PROXY SHOULD BE COMPLETED, SIGNED AND MAILED USING THE ENCLOSED ENVELOPE SO THAT IT IS RECEIVED ON OR BEFORE THE ADJOURNMENT OF THE MEETING.

THIS PROXY STATEMENT IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY

THE STOCK IN ANY CORPORATION OR OTHER ENTITY. SUCH OFFERS MAY BE MADE ONLY BY MEANS OF AN OFFERING CIRCULAR.

_____, 2023
Littlestown, Pennsylvania

Proxy Form for
Meeting of Members of
Protection Mutual Insurance Company of Littlestown

PROXY

SD Law Draft
12/5/2022

PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN
SPECIAL MEETING OF MEMBERS TO CONSIDER APPROVAL OF
AMENDED AND RESTATED ARTICLES OF INCORPORATION AND
APPROVAL OF AGREEMENT AND PLAN OF CONVERSION AND MERGER
WITH AND INTO COMMUNITY INSURANCE COMPANY

I hereby appoint each of Scott Hawk and Michele Lowman as proxyholder, each with the power to appoint a substitute, and hereby authorize either of them to represent and to vote, as designated below, the vote I am entitled as an Eligible Member of record to cast at the Special Meeting of Members to be held on _____, 2023 (the "Special Meeting"), or any adjournment thereof.

When properly executed, this proxy will be voted in the manner directed below. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE APPROVAL OF THE AMENDED AND RESTATED ARTICLES OF INCORPORATION, FOR THE APPROVAL OF THE AGREEMENT AND PLAN OF CONVERSION AND MERGER AND THE STATEMENT OF MERGER, AND FOR THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY, TO SOLICIT ADDITIONAL PROXIES IN THE EVENT THAT THERE ARE NOT SUFFICIENT ELIGIBLE MEMBERS PRESENT TO ESTABLISH A QUORUM OR THERE ARE NOT SUFFICIENT VOTES AT THE TIME OF THE SPECIAL MEETING TO APPROVE THE AMENDED AND RESTATED ARTICLES OF INCORPORATION, THE AGREEMENT AND PLAN OF CONVERSION AND MERGER, AND THE STATEMENT OF MERGER. IF ANY OTHER MATTERS ARE PROPERLY PRESENTED BEFORE THE SPECIAL MEETING, THE PROXIES SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS BY THE PROXYHOLDERS ACCORDING TO THEIR DISCRETION.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS. PLEASE VOTE AND SIGN BELOW.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ALL MATTERS

MATTER NO. 1

AMENDED AND RESTATED ARTICLES OF INCORPORATION
AS SET FORTH IN PROXY STATEMENT TO THE SPECIAL MEETING

- FOR the proposal to approve the Amended and Restated Articles of Incorporation as set forth in the Proxy Statement to the Special Meeting.
- AGAINST the proposal to approve the Amended and Restated Articles of Incorporation as set forth in the Proxy Statement to the Special Meeting.

MATTER NO. 2

AGREEMENT AND PLAN OF CONVERSION AND MERGER AND STATEMENT OF MERGER
AS SET FORTH IN PROXY STATEMENT TO THE SPECIAL MEETING

- FOR the proposal to approve the Agreement and Plan of Conversion and Merger and Statement of Merger as set forth in the Proxy Statement to the Special Meeting.
- AGAINST the proposal to approve the Agreement and Plan of Conversion and Merger and Statement of Merger as set forth in the Proxy Statement to the Special Meeting.

MATTER NO. 3

ADJOURNMENT OF SPECIAL MEETING

- FOR the adjournment of the Special Meeting, if necessary, to solicit additional proxies in the event that there are not sufficient eligible members present to establish a quorum or there are not sufficient votes at the time of the Special Meeting to approve the Amended and Restated Articles of Incorporation, the Agreement and Plan of Conversion and Merger, and the Statement of Merger as set forth in the Proxy Statement to the Special Meeting.
- AGAINST the adjournment of the Special Meeting, if necessary, to solicit additional proxies in the event that there are not sufficient eligible members present to establish a quorum or there are not sufficient votes at the time of the Special Meeting to approve the Amended and Restated Articles of Incorporation, the Agreement and Plan of Conversion and Merger, and the Statement of Merger as set forth in the Proxy Statement to the Special Meeting.

The undersigned hereby acknowledges receipt of the proxy statement dated _____, 2023, and hereby revokes any proxy or proxies heretofore given to vote shares at said meeting or any adjournment thereof.

Dated _____, 2023

Signature

Print Name and Title (if applicable)

(If signing on behalf of an entity, proxy must be signed by a person authorized to represent the entity.)

PLEASE DATE, SIGN, AND RETURN THIS PROXY AS INDICATED ON THE INSTRUCTIONS

INSTRUCTIONS FOR RETURNING PROXIES

**PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN
SPECIAL MEETING OF MEMBERS**

All proxies must be returned to the Company prior to the commencement of the Special Meeting or during the Special Meeting in order to be counted at the Meeting. Michele Lowman is the designated recipient of the proxies.

To vote your proxy, please return it in the special enclosed envelope addressed to the Company, or otherwise mail it to:

Protection Mutual Insurance Company of Littlestown
ATTN: Michele Lowman
101 South Queen Street
Littlestown, PA 17340
Telephone: (717) 359-5840

EXHIBIT 6

Notices to Post-Adoption Policyholders
Post-Adoption Notice to Producers
[DRAFT]

(see attached)

PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN

101 S. Queen Street
Littlestown, PA 17340

**SD Law Draft
12/30/2022**

NOTICE TO ELIGIBLE MEMBERS

[Date]

[Policyholder Name]

[Address 1]

[Address 2]

[City, ST ZIPCO]

Dear [Policyholder]

Thank you for purchasing an insurance policy from Protection Mutual Insurance Company of Littlestown (the "**Company**").

On December 6, 2022, the Board of Directors of the Company adopted an Agreement and Plan of Conversion and Merger which, if approved by the Eligible Members of the Company as set forth below, will effect a merger of the Company with and into Community Insurance Company (the "**Merger**"). Following the Merger, the Eligible Members will become members of Community Holdings Management, Inc. a Pennsylvania corporation organized as a mutual insurance holding company under Pennsylvania law.

The Merger is being accomplished pursuant to the Pennsylvania Insurance Company Mutual-to-Stock Conversion Act¹ As prescribed by the Act, an "Eligible Member" of the Company is a member of the Company whose policy is in force on the date the Company's Board of Directors adopts the Agreement and Plan of Merger. Because your policy with the Company was in effect on December 6, 2022, you are an Eligible Member regarding the Merger. As an Eligible Member, you have the right to vote upon the approval of the Agreement and Plan of Conversion and Merger.

Additional information will be provided to you soon. If you have any questions, please contact the Company at:

Protection Mutual Insurance Company of Littlestown
101 South Queen Street
Littlestown, PA 17340
Telephone: (717) 359-5840
E-mail: michele@protectionmutualins.com

Thank you.

Sincerely yours,

Ronald Dehoff, President
Protection Mutual Insurance Company of Littlestown

¹ 40 P.S. § 911-A *et seq.*

NOTICE TO INELIGIBLE MEMBERS

[Date]

[Policyholder Name]

[Address 1]

[Address 2]

[City, ST ZIPCO]

Dear [Policyholder]

Thank you for purchasing an insurance policy from Protection Mutual Insurance Company of Littlestown (the "**Company**").

On December 6, 2022, the Board of Directors of the Company adopted an Agreement and Plan of Conversion and Merger which, if approved by the Eligible Members of the Company as set forth below, will effect a merger of the Company with and into Community Insurance Company (the "**Merger**"). Following the Merger, the Eligible Members will become members of Community Holdings Management, Inc. a Pennsylvania corporation organized as a mutual insurance holding company under Pennsylvania law.

The Merger is being accomplished pursuant to the Pennsylvania Insurance Company Mutual-to-Stock Conversion Act¹ As prescribed by the Act, an "Eligible Member" of the Company is a member of the Company whose policy is in force on the date the Company's Board of Directors adopts the Agreement and Plan of Merger. Because your policy with the Company became effective after December 6, 2022, you are not considered an Eligible Member regarding the Merger. You do, however, have the rights set forth below:

- (1) You are entitled to request the cancellation of your policy and to receive a pro rata refund of unearned premiums under the policy, except:
- (2) If you have made or filed a claim under your insurance policy, you are not entitled to the right to receive any refund under subsection (1).
- (3) If you have exercised you right under section (1) above to request the cancellation of your insurance policy and to receive a pro rata refund of unearned premiums, then you are not entitled to make or file any claim under your insurance policy.

If you do not request the cancellation of your insurance policy, at the effective time of the Merger the coverage under your insurance policy will be provided by Community Insurance Company.

¹ 40 P.S. § 911-A *et seq.*

If you wish to exercise any of your rights described in this letter or have any questions regarding the Merger, please contact the Company at:

Protection Mutual Insurance Company of Littlestown
101 South Queen Street
Littlestown, PA 17340
Telephone: (717) 359-5840
E-mail: michele@protectionmutualins.com

Thank you.

Sincerely yours,

Ronald Dehoff, President
Protection Mutual Insurance Company of Littlestown

PROTECTION MUTUAL INSURANCE COMPANY OF LITTLESTOWN

101 S. Queen Street
Littlestown, PA 17340

SD Law Draft
12/30/2022

NOTICE TO PRODUCERS

[Date]

[Producer Name]

[Address 1]

[Address 2]

[City, ST ZIPCO]

Dear [Producer]

Proposed Merger of Protection Mutual Insurance Company of Littlestown With and Into Community Insurance Company

On December 6, 2022, the Board of Directors of Protection Mutual Insurance Company of Littlestown (the "**Company**") adopted an Agreement and Plan of Conversion and Merger which, if approved by the Eligible Members of the Company as set forth below, will effect a merger of the Company with and into Community Insurance Company (the "**Merger**").

The Merger is being accomplished pursuant to the Pennsylvania Insurance Company Mutual-to-Stock Conversion Act¹ As prescribed by the Act, an "**Eligible Member**" of the Company is a member of the Company whose policy is in force on the date the Company's Board of Directors adopts the Agreement and Plan of Conversion and Merger. All Eligible Members will have the right to vote upon the approval of the Agreement and Plan of Conversion and Merger.

Effect of Merger on Eligible Members

If the Merger is approved by the Eligible Members, following the Merger the Eligible Members will become members of Community Holdings Management, Inc., a Pennsylvania corporation organized as a mutual insurance holding company under Pennsylvania law. At the effective time of the Merger, the coverage under the Eligible Members' insurance policies will be provided by Community Insurance Company.

Effect of Merger on Members Whose Policies Incept After December 6, 2022

Those members of the Company whose policies became effective after December 6, 2022 are not considered Eligible Members regarding the Merger and are referred to in this letter as "**Ineligible Members**"). With regard to the Merger, the Ineligible Members have the rights set forth below:

¹ 40 P.S. § 911-A *et seq.*

- (1) They are entitled to request the cancellation of their policy and to receive a pro rata refund of unearned premiums under the policy, except...
- (2) If they have made or filed a claim under their insurance policy, they are not entitled to the right to receive any refund under subsection (1).
- (3) If they have exercised their right under section (1) above to request the cancellation of their insurance policy and to receive a pro rata refund of unearned premiums, then they are not entitled to make or file any claim under their insurance policy.

If Ineligible Members do not request the cancellation of their insurance policy, at the effective time of the Merger the coverage under their insurance policy will be provided by Community Insurance Company.

Additional information will be provided to you soon. If you have any questions, please contact the Company at:

Protection Mutual Insurance Company of Littlestown
101 South Queen Street
Littlestown, PA 17340
Telephone: [(717) 359-5840
E-mail: michele@protectionmutualins.com

Thank you.

Sincerely yours,

Ronald Dehoff, President
Protection Mutual Insurance Company of Littlestown

EXHIBIT 7

Unanimous Written Consent in Lieu of Meeting of Sole Shareholder
of Community Approving the Plan
[DRAFT]

(see attached)

UNANIMOUS WRITTEN CONSENT OF
SOLE SHAREHOLDER IN LIEU OF MEETING OF
COMMUNITY INSURANCE COMPANY

[_____, 2022]

The undersigned, being the sole shareholder of Community Insurance Company, a Pennsylvania corporation (the “*Corporation*”) does hereby consent in writing to, and hereby adopts, in accordance with the applicable provisions of the Pennsylvania Business Corporation Law of 1988, as amended, the resolutions and corporate actions set forth below, with the same effect as if they had been duly approved at a formal meeting of the shareholders of the Corporation, effective as of the date first set forth above.

WHEREAS, the Board of Directors of the Corporation believes it to be in the best interest of the Corporation, its sole shareholder, and its insureds to merge with and into Protection Mutual Insurance Company of Littlestown (“*Protection*”), with the Corporation continuing as the surviving corporation in accordance with the Pennsylvania Business Corporation Law (the “*Merger*”); and

WHEREAS, on December 6, 2022, the Board of Directors of the Corporation adopted an Agreement and Plan of Merger (the “*Merger Agreement*”) pursuant to which the Merger will be accomplished; and

WHEREAS, the Merger Agreement accompanies these resolutions as Exhibit A; and

WHEREAS, on [_____, 202__] the Merger Agreement was approved by the Pennsylvania Insurance Department (the “*Department*”) with respect to the conversion of Protection and the Merger.

THEREFORE BE IT RESOLVED, that it is in the best interests of the Corporation, its sole shareholder, and its insureds to merge with Protection, with the Corporation continuing as the surviving entity; and

RESOLVED, that the sole shareholder of the Corporation hereby approves the Merger Agreement as set forth in Exhibit A that accompanies these resolutions; and

RESOLVED, that the foregoing resolutions accurately set forth the actions intended to be taken by the Directors as of the date hereof, and if there exists any absence of, or defect in, notice thereof, or any other matter relating thereto, any such absence or defect is hereby irrevocably waived.

FURTHER RESOLVED, that the resolutions contained herein shall be effective as of the date first above written.

[signature appears on following page]

IN WITNESS WHEREOF, the undersigned, being the sole shareholder of the Corporation has, by its duly authorized representative, executed this writing as of the effective date first above-written.

CHARTER LANE HOLDINGS, INC.

By: _____

Print Name

Title