

BYLAWS

OF

AMERICAN FAMILY INSURANCE MUTUAL HOLDING COMPANY

Adopted: _____, 20__

ARTICLE 1

OFFICES

The principal office of the Corporation shall be in the City of Madison, Dane County, Wisconsin, but the Corporation may also have offices at such other places as the Directors may from time to time designate or its business may require.

ARTICLE 2

MEETINGS OF MEMBERS

Section 2.1 Annual Meetings and Notices. The annual meeting of the Members of the Corporation for the purpose of electing Directors and for the transaction of such other business as shall properly come before the meeting, shall be held at the principal office of the Corporation on the first Tuesday in March at 2:00 p.m., in each year. The notice of such meeting printed in any policy conferring membership in the Corporation shall constitute proper notice to the Member owning such policy of the time and place of the annual meetings. Notice of annual meetings may be given by any other means permitted under the Articles of Incorporation of the Corporation and the laws of the State of Wisconsin.

Section 2.2 Special Meetings. Special meetings of the Members shall be held at the principal office of the Corporation upon call by the Secretary, who shall call such special meeting, upon written request, filed with the Secretary at least sixty (60) days in advance of the date of such meeting, (1) by the Chairman of the Board, or (2) by a majority of the Board of Directors, or (3) by not less than 5% of the Members of the Corporation. Request for a special meeting must be in writing and shall state the proposed time, place, and purpose of such meeting. Special meetings shall be confined to the purposes stated in the call and matters germane thereto. Notice of special meetings of the Members shall be given not less than fifteen (15) days in advance of such meeting, or such longer period as may be required by the Articles of Incorporation or applicable law, and in such manner, consistent with applicable law and the Articles of Incorporation of the Corporation, as may be prescribed by resolution of the Board of Directors.

Section 2.3 Conduct of Meetings. The Chairman of the Board or the Board of Directors shall set and approve the agenda for Members meetings. The Chairman of the Board, or in the Chairman of the Board's absence, the President, or in the President's absence, the Secretary, shall call the meeting of the Members to order and shall act as chairperson of the meeting, and the Secretary of the Corporation shall act as Secretary of all meetings of the Members, but in the absence of the Secretary, or in the event the Secretary is acting as chairperson of the meeting, the presiding chairperson may appoint any other person to act as secretary of the meeting.

Section 2.4 Voting. Each Member, present in person or represented by proxy, at any annual or special meeting of the Members shall be entitled to cast one vote.

Section 2.5 Proxies. A Member may vote at any meeting of the Members in person or by proxy. A Member may appoint a proxy to vote or otherwise act for the Member by a written appointment form signed by or on behalf of the Member, or by electronically transmitting or authorizing the electronic transmission of the appointment to the person who will be appointed as proxy or to a proxy solicitation firm, proxy support service organization, or like agent authorized to receive the transmission by the person who will be appointed as proxy. Every electronic transmission shall contain, or be accompanied by, information that can be used to reasonably determine that the Member electronically transmitted or authorized the electronic transmission of the appointment. Any person charged with determining whether a Member electronically transmitted or authorized the electronic transmission of the appointment shall specify the information upon which the determination is made. Proxies shall be valid only for one meeting, to be specified therein, unless otherwise provided in the proxy, and any adjournments of such meeting. Proxies shall be dated and shall be filed with the records of the meeting. The Board of Directors shall have the power and authority to make rules establishing presumptions as to the validity and sufficiency of proxies. Proxies must be filed with and be in the hands of the Secretary at least five (5) days prior to the date of any annual or special meeting of the Members and any proxy not so filed shall not be voted.

Section 2.6 Quorum and Manner of Acting. A quorum shall be required for the transaction of business at any meeting of the Members. Ten (10) Members present in person or by proxy shall constitute a quorum. If a quorum is not present, the majority of those present and qualified to vote may adjourn such meeting from time to time without notice other than by announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting had it been held at the time originally fixed therefor. Unless otherwise provided by law, the Articles of Incorporation or these Bylaws, action at any annual or special meeting of the Members shall be by majority vote of Members entitled to vote, present either in person or by proxy.

Section 2.7 Record Date. The Board of Directors may fix a date for determination of record those Members who are entitled to notice of and to vote at meetings of Members, which date shall be not less than twenty (20) or more than ninety (90) days prior to such meeting.

Section 2.8 Waiver of Notice by Members. Whenever any notice is required to be given to any Member of the Corporation under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Member entitled to such notice, shall be deemed equivalent to the giving of such notice; provided that such waiver in respect to any matter of which notice is required under any provision of law, shall contain the same information as would have been required to be included in such notice, except the time and place of meeting.

ARTICLE 3 DIRECTORS

Section 3.1 General Powers and Number. The business and affairs of the Corporation shall be managed by a Board of Directors of not more than fifteen (15) and not less than the number required by Wisconsin law, at the discretion of the Board of Directors. The

actual number of the Directors shall be designated annually within these limits by the Board of Directors prior to the annual meeting. Except as expressly limited by law, all corporate powers of the Corporation shall be vested in and may be exercised by the Board of Directors.

Section 3.2 Classification. The Board of Directors shall be divided into three (3) groups, to be as nearly equal in number of Directors in each group as possible. The three groups are to be designated Group I, Group II, and Group III. The term of office of the Directors in Group III shall expire at the first annual meeting after their initial election and until their successors are elected and qualified; the term of office of the Directors in Group I shall expire at the second annual meeting after their initial election and until their successors are elected and qualified; and the term of office of the Directors in Group II shall expire at the third annual meeting after the initial election and until their successors are elected and qualified. At each annual meeting after the initial classification of the Board of Directors, the group of Directors whose term expires at the time of such election shall be elected to hold office until the third succeeding annual meeting and until their successors are elected and qualified.

Section 3.3 Tenure and Qualifications. Each Director shall hold office until the end of his or her term and until his or her successor shall have been elected, or until his or her prior death, resignation, or removal. A Director may be removed from office with or without cause by affirmative vote of two-thirds (2/3) of the remaining members of the Board of Directors, taken at a regular meeting or a special meeting called for that purpose. A Director may resign at any time by filing his or her written resignation with the Secretary of the Corporation.

No Director, not a former employee or Officer of the Corporation, shall be qualified to continue on the Board of Directors after retirement from his or her principal occupation unless the Nominating and Governance Committee recommends to the Board of Directors his or her continued service.

No Director shall be qualified to continue on the Board of Directors who, for whatever reason, fails to attend one-half or more of the total Board of Directors meetings and his or her committee meetings in any calendar year, or is absent for three (3) consecutive meetings either of the Board of Directors and his or her committee assignments or a combination of both.

No Director shall serve beyond the date of the regularly scheduled meeting immediately preceding his or her seventieth (70th) birthday.

A Director residing in an operating state of the Corporation's subsidiaries is encouraged to become a policyholder of one or more of the Corporation's subsidiaries.

Section 3.4 Nomination for Election to the Board of Directors. Nominations for election to the Board of Directors may be made by the Board of Directors or by any Member of the Corporation entitled to vote for election of Directors. Nominations, other than those made by, or on behalf of, the existing Board of Directors, shall be made in writing and shall be delivered or mailed to the Chairman of the Board, and/or the President of the Corporation, not less than ninety (90) days prior to the annual meeting of Members. Such notification shall contain the following information: (a) the name and address of each proposed nominee; (b) the principal occupation of each proposed nominee; and (c) the name and residence address of the nominating Member. Nominations not made in accordance herewith may be disregarded by the chairperson of the meeting, and in determining the total votes cast for any such nominee, such votes shall be disregarded.

Section 3.5 Regular and Special Meetings. Regular meetings of the Board of Directors shall be held at the Corporation's principal office or at such other place as may be designated by the Chairman of the Board. Such meetings shall be held at least quarterly at such times as the Directors shall prescribe. The Chairman of the Board may call special meetings of the Directors and he or she shall call a special meeting of the Board of Directors when requested, in writing, by three (3) Directors. The Secretary shall give notice of all special meetings in the manner provided herein.

Section 3.6 Annual Meeting. The annual meeting of the Directors shall be held on the same day and at the same place as the annual meeting of the Members and shall convene immediately after adjournment thereof. At such meeting the Directors shall elect Officers and standing committees. If for any reason the annual meeting of Directors is not held at the time designated, or if there is a failure to elect Officers and standing committees, such Officers and committees may be elected either at a special meeting called for such purpose or at the next regular meeting.

Section 3.7 Quorum and Manner of Acting. A majority of the Directors in office shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the Articles of Incorporation or these Bylaws.

Section 3.8 Notice; Waiver. Notice of each special meeting of the Board of Directors shall be given by written notice delivered in person, by facsimile, e-mail, or other form of wire or wireless communication, or by mail or private carrier, to each Director at his or her business address or at such other address as such Director shall have designated in writing filed with the Secretary, in each case not less than forty eight (48) hours prior to the meeting. The notice need not describe the purpose of the special meeting of the Board of Directors or the business to be transacted at such meeting. If delivered by facsimile or e-mail, such notice shall be deemed to be given when sent. If mailed, such notice shall be deemed to be given when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by private carrier, such notice shall be deemed to be given when delivered to the private carrier. Whenever any notice whatever is required to be given to any Director of the Corporation under the Articles of Incorporation or these Bylaws or any provision of Wisconsin law, a waiver thereof in writing, signed at any time, whether before or after the date and time of meeting, by the Director entitled to such notice shall be deemed equivalent to the giving of such notice. A Director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 3.9 Vacancies. Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of Directors, may be filled until the next succeeding annual election by the Members by the affirmative vote of a majority of the Directors then in office, though less than a quorum of the Board of Directors; provided, that in the case of a vacancy created by the removal of a Director by vote of the Members, the Members shall have the right to fill such vacancy.

Section 3.10 Compensation. A Director may receive such compensation for services as is determined by resolution of the Board of Directors. A Director may also serve the Corporation in any other capacity and receive compensation therefor.

Section 3.11 Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors or a committee thereof of which he or she is a member, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his or her written dissent to such action is filed with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 3.12 Committees. The Board of Directors, by resolution adopted by the affirmative vote of a majority of the total number of Directors then in office, may create an Executive Committee and one or more other committees, appoint members of the Board of Directors to serve on the committees, designate other members of the Board of Directors to serve as alternates, and appoint one or more Officers to serve as non-voting members of any committee. Any committee created by the Board of Directors shall have three or more voting members who shall serve at the pleasure of the Board of Directors. The committees, if any, shall have and may exercise such powers as may be provided in the Resolution of the Board of Directors creating such committee, as such resolution may from time to time be amended and supplemented, and subject to any requirements of applicable law. Unless otherwise provided by the Board of Directors in creating a committee, a committee may employ counsel, accountants and other consultants to assist it in the exercise of its authority. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

Section 3.13 Unanimous Consent without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors or any of its committees at a meeting or by resolution may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors then in office or, in the case of a committee, all of the voting members of such committee.

Section 3.14 Electronic Meetings. Except as herein provided and notwithstanding any place set forth in the notice of the meeting or these Bylaws, members of the Board of Directors (and any committees thereof created pursuant to Article 3, Section 3.12 hereof) may participate in regular or special meetings by, or through the use of, any means of communication by which all participants may simultaneously hear each other, such as by conference telephone or other electronic device. If a meeting is conducted by such means, then at the commencement of such meeting the chairperson or committee chair, as applicable, shall inform the participating Directors that a meeting is taking place at which official business may be transacted. Any participant in a meeting by such means shall be deemed present in person at such meeting. Notwithstanding the foregoing, no action may be taken at any meeting held by such means on any particular matter which the chairperson or committee chair, as applicable, determines, in his or her sole discretion, to be inappropriate under the circumstances for action at a meeting held by such means. Such determination shall be made and announced in advance of such meeting.

ARTICLE 4 OFFICERS

Section 4.1 Principal Officers. The Principal Officers of the Corporation shall be Chief Executive Officer, President, Secretary, and Treasurer, each of whom shall be elected by the Board of Directors. Additional officers may be elected by the Board of Directors, including without limitation one or more Assistant Treasurers and Assistant Secretaries (together with the Principal Officers, the "Officers"). The Board of Directors may also authorize any officer to appoint one or more of such other Officers. The duties of the Officers shall be those enumerated herein and any further duties designated by the Board of Directors.

Section 4.2 Chairman of the Board. The Board of Directors shall elect a Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Members and the Board of Directors. In the absence or inability of the Chairman of the Board to act, the President shall preside at the meeting of the Members and the Board of Directors, and in the absence of both the Chairman of the Board and the President, the Secretary shall preside at such meetings.

Section 4.3 Chief Executive Officer. The Chief Executive Officer shall exercise general administrative leadership and direction of the Corporation in conformity with actions and controls established and maintained by the Board of Directors. The Chief Executive Officer shall have the power and authority to execute on behalf of the Corporation any and all documents, contracts, instruments, or other papers to which the signature of the Corporation is to be attached; provided, however, a facsimile signature may be printed, engraved, or stamped on any approved document, contract, instrument or other papers of the Corporation.

Section 4.4 President. The President shall be the Chief Operating Officer of the Corporation and shall, in concurrence with the Chief Executive Officer and actions of the Board of Directors, direct the activities of its Officers. The President shall have the power and authority to execute on behalf of the Corporation those documents, contracts, instruments, or other papers to which the signature of the Corporation is to be attached; provided, however, a facsimile signature may be printed, engraved or stamped on any approved document, contract, instrument, or other papers of this Corporation. The President shall exercise the discretion of and perform generally all of the duties incident to the Office of President and such other and further duties as may be required by the Board of Directors and the Chief Executive Officer.

Section 4.5 Succession. Should the Chief Executive Officer be absent or unable to act, the President shall assume the role of the Chief Executive Officer with the same power and authority vested in the Chief Executive Officer. If the President is unable to serve, the Board of Directors shall designate another Officer or Director to discharge the duties of the Chief Executive Officer with the same power and authority vested in the Chief Executive Officer in accordance with the current plan of succession as determined by the Board of Directors.

Section 4.6 Secretary. The Secretary shall keep a record of the Minutes of the meetings of the Members and of the Board of Directors. He or she shall countersign all instruments and documents executed by the Corporation which the laws or Bylaws require to be so executed; affix to instrument and documents the seal of the Corporation; keep in proper books therefor the transactions of the Corporation; and perform such other duties as usually are incident to such office.

Section 4.7 Treasurer. The Treasurer, subject to the control of the Board of Directors, shall collect, receive, and safely keep all moneys, funds, and securities of the Corporation, and attend to all its pecuniary affairs. He or she shall keep full and complete accounts and records of all his or her transactions, of sums owing to or by the Corporation, and all rents and profits in its behalf. The books of account and records shall at all reasonable times be open to the inspection of the Members, and he or she shall furnish to the Members at their annual meeting and to the Directors, whenever requested by them, such statements and reports of the same as are necessary to a full exhibit of the financial condition of the Corporation.

Section 4.8 Term, Removal & Salaries. All Officers shall hold office for one year and until their successors are elected and qualified, or until their prior death, resignation, or removal. The Board of Directors may remove any officer and, unless restricted by the Board of Directors or these Bylaws, an officer may remove any officer appointed by that officer, at any time, with or without cause and notwithstanding the contract rights, if any, of the officer removed. The appointment of an officer does not of itself create contract rights. Salaries of all Officers, with the exception of any Assistant Treasurers and any Assistant Secretaries, shall be fixed by the Board of Directors.

ARTICLE 5 FUNDS OF THE CORPORATION

Section 5.1 Deposits. All funds of the Corporation shall be deposited or invested in such depositories or in such securities as may be authorized from time to time by the Board of Directors or appropriate committee under authorization of the Board of Directors.

Section 5.2 Investments. All investments and deposits of funds of the Corporation shall be made and held in its corporate name, except that securities kept under a custodial agreement or trust arrangement with a bank or banking and trust company may be issued in the name of a nominee of such bank or banking and trust company and except that securities may be acquired, and held in bearer form.

Section 5.3 Loans. All loans contracted on behalf of the Corporation and all evidences of indebtedness that are issued in the name of that Corporation shall be under the authority of the resolution of the Board of Directors. Such authorization may be general or specific.

Section 5.4 Contracts. The Board of Directors may authorize one or more Principal Officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authorization may be general or specific.

Section 5.5 Disbursements. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner, including by means of facsimile signature, as shall from time to time be determined by or under authority of a resolution of the Board of Directors

Section 5.6 Borrowing Prohibited. No Director or Officer of the Corporation shall borrow money from the Corporation, or receive any compensation for selling, aiding in the sale, or negotiating for the sale of any property belonging to the Corporation, or for negotiating any loan for or by the Corporation.

Section 5.7 Voting of Securities Owned by the Corporation. Subject always to the specific directions of the Board of Directors, (a) any shares or other securities issued by any other corporation and owned or controlled by this Corporation may be voted at any meeting

of security holders of such other corporation by the Chairman of the Board or the President of this Corporation, or their designee, and (b) whenever, in the judgment of the Chairman of the Board or the President, it is desirable for this Corporation to execute a proxy or written consent in respect to any shares or other securities issued by any other corporation and owned by this Corporation by the Chairman of the Board or President, or their designee, without necessity of any authorization by the Board of Directors, affixation of corporate seal, or countersignature or attestation by the Secretary or Assistant Secretary. Any person or persons designated in the manner above stated as the proxy or proxies of this Corporation shall have full right, power, and authority to vote the shares or other securities issued by such other corporation and owned by this Corporation the same as such shares or other securities might be voted by this Corporation.

ARTICLE 6 INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall, to the fullest extent permitted or required by Section 644.18(2) and Sections 181.0871 to 181.0881 and 181.0889, inclusive, of the Wisconsin Statutes, including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any such Director or Officer is a Party because he or she is or was a Director or Officer of the Corporation. The Corporation shall also indemnify an employee who is not a Director or Officer of the Corporation, to the extent that the employee has been successful on the merits or otherwise in defense of a proceeding, for all Expenses incurred in the Proceeding if the employee was a party because he or she was an employee of the Corporation. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which a Director, Officer or employee may be entitled under any written agreement or resolution of the Board of Directors, vote of the Members, the Wisconsin Insurance Code or otherwise. The Corporation may, but shall not be required to, supplement the foregoing rights to indemnification against Liabilities and advancement of Expenses under this Article 6 by the purchase of insurance on behalf of any one or more of such Directors, Officers or employees, whether or not the Corporation would be obligated to indemnify or advance Expenses to such Director, Officer or employee under this Article 6. All capitalized terms used in this Article 6 and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the Wisconsin Statutes.

ARTICLE 7 AMENDMENTS

Section 7.1 Amendment by Board Action. These Bylaws may be amended or a provision of the Bylaws waived by a vote of three-fourths (3/4) of the Directors voting at any regular or special meeting of the Board of Directors.

Section 7.2 Implied Amendments. Any action taken or authorized by the Board of Directors, which would be inconsistent with the Bylaws then in effect but is taken or authorized by the affirmative vote of not less than the number of Directors required to amend the Bylaws so that the Bylaws would not be inconsistent with such action, shall be given the same effect as though the Bylaws had been amended or suspended to the extent and for so long, but only to the extent and for so long, as is necessary to permit the specific action so taken or authorized.