

ID Number: 78740

Filing Fee: \$70.00



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State  
Corporations Division  
100 North Main Street  
Providence, Rhode Island 02903-1335

**FILED**

FEB 05 2003

BY 0100934505

**BUSINESS CORPORATION**

**RESTATED ARTICLES OF INCORPORATION**

RECEIVED  
CORPORATIONS DIVISION  
FEB 5 2 31 PM '03

Pursuant to the provisions of Section 7-1.1-59 of the General Laws, 1956, as amended, the undersigned corporation adopts the following Restated Articles of Incorporation:

1. The name of the corporation is Factory Mutual Insurance Company

2. The period of its duration is (if perpetual, so state) Perpetual

3. The specific purpose or purposes which the corporation is authorized to pursue are:  
see Section 2. attached

4. The aggregate number of shares which the corporation has authority to issue is:  
(a) *If only one class:* Total number of shares N/A (If the authorized shares consist of one class only state the par value of such shares or a statement that all of such shares are to be without par value.):  
per Section 5 this a member corporation (see attached)

or

(b) *If more than one class:* Total number of shares of all classes of stock \_\_\_\_\_ (State (A) the number of shares of each class thereof that are to have a par value and the par value of each share of each such class, and/or (B) the number of such shares that are to be without par value, and (C) a statement of all or any of the designations and the powers, preferences and rights, including voting rights, and the qualifications, limitations or restrictions thereof, which are permitted by the provisions of Chapter 7-1.1 of the General Laws, 1956, as amended, in respect of any class or classes of stock of the corporation insofar as the same are fixed in the articles of incorporation, and a statement of any authority vested in the board of directors to establish series and fix and determine the variations in the relative rights and preferences as between series.):

Approved by: Marilyn Shannon McConaghy  
Marilyn Shannon McConaghy  
Director  
Dated: January 9, 2003

5. Existing provisions, if any, dealing with the preemptive right of shareholders pursuant to § 7-1.1-24 of the General Laws, 1956, as amended:

N/A

6. Existing provisions, if any, for the regulation of the internal affairs of the corporation are:

See Section 6 attached

7. The restated articles of incorporation correctly set forth without change the corresponding provisions of the articles of incorporation, as heretofore amended, and supersede the original articles of incorporation and all amendments thereto.

8. As required by Section 7-1.1-59 of the General Laws, the corporation has paid all fees and franchise taxes.

9. Date when restated articles of incorporation are to become 30 January 2002  
(not prior to, nor more than 30 days after, the filing of restated articles)

Date: 3 January 2003

Factory Mutual Insurance Company  
Print Corporate Name

By *William J. White*  
 President or  Vice President (check one)

By *John J. Lemieux*  
 Secretary or  Assistant Secretary (check one)

STATE OF Rhode Island  
COUNTY OF Providence

In Providence, RI, on this 3rd day of January, 2003, personally appeared before me Mr. Weston & Mr. Lemieux who, being by me first duly sworn, declared that he/she/they are the Vice Pres. & Asst. Sec. of the corporation and that he/she/they signed the foregoing document as such officer of the corporation, and that the statements herein contained are true.

*Sandra S. Farrell-Wojcik*  
Notary Public My Commission Expires February 5, 2006  
My Commission Expires:

**CHARTER**  
OF THE  
**FACTORY MUTUAL INSURANCE COMPANY**  
(formerly known as Allendale Mutual Insurance Company)  
as amended, restated and adopted by the  
Members on July 1, 1999

**FILED**  
FEB 05 2003  
By                     

The act entitled "An Act to incorporate Manufacturers Mutual Fire Insurance Company of Rhode Island," passed at the October Session 1835, as heretofore amended from time to time; the act entitled "An Act to incorporate Firemen's Mutual Insurance Company, in Providence," passed at the May Session 1854, as heretofore amended from time to time; and the act entitled "An Act to incorporate the Blackstone Mutual Fire Insurance Company," passed at the May Session 1868, as heretofore amended from time to time, all of which acts were most recently amended by an act passed May 7, 1992, are further amended and restated as follows:

**SECTION 1.** At the Effective Time as defined in that certain Agreement and Plan of Merger by and among Allendale Mutual Insurance Company, a Rhode Island mutual insurance company, Arkwright Mutual Insurance Company, a Massachusetts mutual insurance company, and Protection Mutual Insurance Company, an Illinois mutual insurance company, dated as of October 16, 1998 (the "Agreement"), the corporate existence of Arkwright Mutual Insurance Company, and Protection Mutual Insurance Company shall cease, and Allendale Mutual Insurance Company shall be the surviving corporation (hereinafter sometimes referred to as the "Corporation"), which shall continue its corporate existence under the laws of the State of Rhode Island under the name "Factory Mutual Insurance Company." The Corporation shall possess all the rights, authority, privileges, immunities, powers, licenses, permits and franchises, of a public or private nature, of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company, and shall be subject to all the duties, liabilities and obligations of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company, and all the rights, authority, privileges, immunities, powers, licenses, permits and franchises of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company, and all property, real, personal and mixed, and all debts due to each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company on whatever account and all other choses in action and every other interest of or belonging to each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company shall vest in the Corporation; and all property, rights, authority, privileges, immunities, powers, licenses, permits and franchises and every other interest shall be thereafter the property of the Corporation as they were of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company; and the title to any real estate or any interest therein, vested by deed or otherwise in each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company, shall not revert or be in any way impaired; but all rights of creditors and all liens upon any property of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company shall be preserved unimpaired; and all debts, duties, liabilities and obligations of each of Arkwright Mutual Insurance Company and Protection Mutual Insurance Company shall thenceforth attach to the Corporation, and may be enforced against it to the same extent as if said debts, duties, liabilities and obligations had been incurred or contracted by it.

**SECTION 2.** The Corporation shall have the purpose of insuring any and all risks:

- (1) of loss or damage to property of any kind, real or personal, from any cause whatsoever,
- (2) of loss or damage arising from prevention or suspension of the use and occupancy of property of any kind, real or personal, from any cause whatsoever,
- (3) of legal liability for any such loss or damage,
- (4) of marine character of every kind and description,
- (5) of injury, disablement or death resulting from traveling or general accident, and against disablement resulting from sickness and every insurance appertaining thereto.

- (6) of loss or damage resulting from accident to or injury or death suffered by an employee or other person and for which the person injured is legally liable, including the liability of an employer to pay compensation to its employees and the compensation of employees under any worker's compensation law,
- (7) of loss or damage to the person or property of another, including the loss of use of such property, caused by trucks, wagons, airplanes, seaplanes, automobiles, motor or other vehicles whether stationary or being operated under their own power and wheresoever the same may be, and propelled by steam, gas, gasoline, electric, mechanical or other power or drawn by horses or mules, used in trade or manufacture or otherwise, and for which the person insured is liable,
- (8) of loss or damage resulting from negligence in rendering professional and expert service and for which the insured is legally liable,
- (9) of any other loss or damage to property or interests therein and for which the insured is legally liable,
- (10) of loss or damage to automobiles and other property from any cause including the hazards of fire, explosion, wind, tornado, transportation, collision, burglary, robbery, theft or larceny or any one or more of such causes of hazards, and also all or any of the risks of lake, river, canal, inland and ocean navigation and transportation,
- (11) of loss or damage to automobiles and airplanes, seaplanes, dirigibles or other aircraft and other vehicles, and against loss or damage to property caused thereby, including loss by legal liability for damage to property resulting from the maintenance and use of automobiles and airplanes, seaplanes, dirigibles or other aircraft, and other vehicles,
- (12) of guaranteeing and indemnifying merchants, traders, and those engaged in business and giving credit from loss and damage by reason of giving and extending credit to their customers and those dealing with them, and to buy, hold, own and take an assignment of any and all claims, accounts and demands so guaranteed, and to hold, own and collect the same, and to enforce the collection thereof by action the same as the original holder and owner thereof might or could do; also to insure the payment of money for personal services under contract of hire,
- (13) of loss by burglary, robbery, theft, larceny, forgery, vandalism or malicious mischief, the wrongful conversion, disposal or concealment of automobiles and other property held under conditional sale contract or subject to chattel mortgage or otherwise, or any one or more of such hazards; also the insurance of jewelers and other persons engaged in the business or trade of manufacturing, buying, selling or dealing in, cutting or setting of precious stones, jewels, jewelry, gold, silver and other precious metals, whether as principals, agents, brokers, factors or otherwise, against any and all risks of loss, damage, injury, deterioration, loss of use or liability arising from or in connection with such business or trade,
- (14) of guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; guaranteeing the performance of insurance contracts where surety bonds are accepted by states, municipalities, or other governmental bodies; executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed; and indemnifying banks, bankers, brokers, financial or money associations, or financial or moneyed corporations, against the loss or any bills of exchange, notes, drafts, acceptances of drafts, bonds, securities, evidences of debt, deeds, mortgages, documents, currency and money,
- (15) of reinsurance of the whole or any part of the risks of any other insurance company and to effect reinsurance of the whole or any part of the risks assumed by the Corporation, provided that in ceding reinsurance to a mutual company, the Corporation shall not, unless the reinsurance contract so provides,

become thereby a member of the company accepting such reinsurance or be entitled to any dividend or expiration return of premium or be subject to liability to assessment, and provided further that in accepting reinsurance from any company, such company shall not, unless the reinsurance contract so provides, become a member of the Corporation,

- (16) of any other kind or kinds which are determined to be substantially similar to one or more of the foregoing kinds of insurance, or which any insurance company incorporated under the laws of this state is now or hereafter may be authorized to insure, except life, title or endowment insurance or annuities, and to engage in such other kind or kinds of business to the extent necessary or properly incidental to the kind or kinds of insurance which it may at any time be authorized to transact, provided, however, that nothing herein contained shall require the Corporation to insure every kind of risk it is authorized to insure, and
- (17) of any other lawful purpose for which corporations may be formed pursuant to Chapter 7-1.1, R.I.G.L., 1956, as amended, (1992 Reenactment), as the same may be hereafter amended from time to time.

**SECTION 3.** The Corporation shall have the power and authority to do any lawful act which is necessary or proper to accomplish the purposes set forth in Section 2 hereof. Without limiting or enlarging the effect of this general grant of authority, it is hereby specifically provided that the Corporation shall have the power to guarantee any bonds, securities or evidence of indebtedness created by or dividends on or a certain amount per share in liquidation of the capital stock of any other corporation or corporations created by this state or by any other state, country, nation or government; and shall have all of the general powers set forth in Section 7-1.1-43, R.I.G.L., 1956, as amended, (1992 Reenactment), and all acts in amendment thereof or in addition thereto; and to have all the powers and privileges and be subject to all the duties and liabilities set forth in the Rhode Island General Laws, and of all acts in amendment thereof or in addition thereto, so far as the same are not inconsistent with the powers and privileges granted to the Corporation by this Charter.

#### **SECTION 4.**

- (1) A Director of the Corporation shall not be personally liable to the Corporation or its members for monetary damages for breach of the Director's duty as a Director, except for (i) liability for any breach of the Director's duty of loyalty to the Corporation or its members, (ii) liability for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) liability imposed pursuant to the provisions of Section 7-1.1-43, R.I.G.L., 1956, as amended, (1992 Reenactment), or (iv) liability for any transaction (other than transactions approved in accordance with Section 37.1, R.I.G.L., 1956, as amended, (1992 Reenactment)), from which the Director derived an improper personal benefit. If Chapter 7-1.1 is amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent so permitted. Any repeal or modification of this provision by the Corporation shall not adversely affect any right or protection of a Director of the Corporation existing prior to such repeal or modification.
- (2) The Directors of the Corporation may include provisions in the Corporation's bylaws, or may authorize agreements to be entered into with each Director, officer, employee or other agent of the Corporation (an "Indemnified Person"), for the purpose of indemnifying an Indemnified Person in the manner and to the extent permitted by Chapter 7-1.1, R.I.G.L., 1956, as amended, (1992 Reenactment).
- (3) In addition to the authority conferred upon the Directors of the Corporation by the foregoing section, the Directors of the Corporation may include provisions in its bylaws, or may authorize agreements to be entered into with each Indemnified Person, for the purpose of indemnifying such person in the manner and to the extent provided herein:
  - (i) The bylaw provisions or agreements authorized hereby may provide that the Corporation shall, subject to the provisions of this Section, pay, on behalf of an Indemnified Person any Loss or Expenses arising from any claim or claims which are made against the Indemnified Person

(whether individually or jointly with other Indemnified Persons) by reason of any Covered Act of the Indemnified Person.

- (ii) For the purposes of this Section, when used herein
- (a) "Directors" means any or all of the directors of the Corporation or other persons who are exercising any powers normally vested in the board of directors;
  - (b) "Loss" means any amount which an Indemnified Person is legally obligated to pay for any claim for Covered Acts and shall include, without being limited to, damages, settlements, fines, penalties or, with respect to employee benefit plans, excise taxes;
  - (c) "Expenses" means any expenses incurred in connection with the defense against any claim for Covered Acts, including, without being limited to, legal, accounting or investigative fees and expenses or bonds necessary to pursue an appeal of an adverse judgment; and
  - (d) "Covered Act" means any act or omission of an Indemnified Person in the Indemnified Person's official capacity with the Corporation and while serving as such or while serving at the request of the Corporation as a member of the governing body, officer, employee or agent of another corporation, including, but not limited to corporations which are subsidiaries or affiliates of the Corporation, partnership, joint venture, trust, other enterprise or employee benefit plan.
- (iii) The bylaw provisions or agreements authorized hereby may cover Loss or Expenses arising from any claims made against a retired Indemnified Person, the estate, heirs or legal representative of a deceased Indemnified Person or the legal representative of an incompetent, insolvent or bankrupt Indemnified Person, where the Indemnified Person was an Indemnified Person at the time the Covered Act upon which such claims are based occurred.
- (iv) Any bylaw provisions or agreements authorized hereby may provide for the advancement of Expenses to an Indemnified Person prior to the final disposition of any action, suit or proceeding, or any appeal therefrom, involving such Indemnified Person and based on the alleged commission by such Indemnified Person of a Covered Act, subject to an undertaking by or on behalf of such Indemnified Person to repay the same to the Corporation if the Covered Act involves a claim for which indemnification is not permitted under clause (v), below, and the final disposition of such action, suit, proceeding or appeal results in an adjudication adverse to such Indemnified Person.
- (v) The bylaw provisions or agreements authorized hereby may not indemnify an Indemnified Person from and against any Loss, and the Corporation shall not reimburse for any Expenses, in connection with any claim or claims made against an Indemnified Person which the Corporation has determined to have resulted from: (a) any breach of the Indemnified Person's duty of loyalty to the Corporation or its members; (b) acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law; (c) action contravening Section 43 of the Rhode Island Business Corporation Act; or (d) a transaction (other than a transaction approved in accordance with Section 37.1 of the Rhode Island Business Corporation Act) from which the person seeking indemnification derived an improper personal benefit.

**SECTION 5.** Except as hereinafter specifically provided, each natural person, partnership, association, corporation or legal entity insured on the mutual plan by the Corporation shall be a member of the Corporation during the term of its policy but no longer, and at all meetings of the members shall be entitled to one vote either in person or by proxy; provided, however, that where there is more than one insured under any policy, such insureds shall nevertheless be deemed to be a single member of the Corporation for all purposes. The Corporation may issue policies which do not entitle the insured to membership in the Corporation nor to participate in its surplus.

**SECTION 6.** The management of the business and affairs of the Corporation shall be vested in a board of directors, the number of which shall be fixed from time to time by the bylaws. At the Effective Time as defined in the Agreement, the Directors of the Corporation shall be as specified in the Agreement. The Directors shall be divided into three classes of as nearly equal in number as possible so that the term of office of the first class shall expire in the year 2000, the second class in the year 2001, and the third class in the year 2002. At the annual meeting of the Corporation to be held in the year 2000, and thereafter at each succeeding annual meeting, Directors shall be elected by the members, each for a term of three years, to succeed that class of Directors whose term then expires. In case of any increase in the number of Directors, one-third of the additional number shall be elected for the then unexpired portion of the term of those Directors whose term expires in the year in which the increase is made; one-third for the unexpired portion of the term of those Directors whose term expires in the year following that in which such increase is made, and one-third for the unexpired portion of the term of those Directors whose term expires in the second year next after that in which such increase is made. All Directors shall serve until their successors are elected and qualified.

**SECTION 7.** The board of directors of the Corporation may elect such officers as are provided for by the bylaws of the Corporation and may elect an executive committee and such other committees as they shall determine from their own number, and may delegate to such committees such of the powers of the board of directors and such other powers as they may deem expedient.

**SECTION 8.** The Corporation shall (a) maintain at all times over all liabilities, including unearned premium reserves, a surplus of not less than one million dollars, and (b) maintain a deposit with the general treasurer of the State of Rhode Island for the benefit and protection of all its members of at least two hundred thousand dollars.

**SECTION 9.** In addition to any unearned premium or reinsurance, or other reserves which may be required by law, the Corporation may establish and maintain a surplus against extraordinary losses or other contingencies, by appropriating, from time to time, such sums as the board of directors may determine.

**SECTION 10.** Upon the termination of the membership of any member, all his or its right and interest in the surplus, reserves and other assets of the Corporation shall forthwith cease.

**SECTION 11.** The Corporation may at any time by a vote of sixty-six and two-thirds percent of the members voting thereon in any annual or special meeting, notice of the proposed action having been given in the call of such meeting, and by a majority vote of the Directors, be merged or consolidated with or may generally reinsure or be generally reinsured by any other insurance company or companies insuring similar classes or risks.

**SECTION 12.** The Corporation shall be principally located in any city or town within the State of Rhode Island.

**SECTION 13.** The duration of the Corporation shall be perpetual.

**SECTION 14.** Subject to any statutory or regulatory provision requiring the approval by any governmental official, body or commission, the Corporation may at any time by a vote of sixty-six and two-thirds percent of the members voting thereon in any annual or special meeting, notice of the proposed action having been given in the call of the meeting, and by a majority vote of the Directors, amend this charter in any and as many respects as may be desired, so long as such amendment contains only such provisions as might be lawfully contained in an amendment to the articles of incorporation of a Rhode Island business corporation incorporated under the provisions of Chapter 7-1.1, R.I.G.L., 1956, as amended, (1992 Reenactment) in effect at the time of such amendment.