

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1985

A N A C T

TO INCORPORATE NEWPORT INSURANCE COMPANY

Introduced By: Senator Jennie D. Day

Date Introduced: March 29, 1985

Referred To: Senate Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Walter Constantine, Ernest Shaghalian, Thomas A.
2 Kelley, Jr., Harold E. Leary, John Flynn and James H. Kelley, their
3 associates, successors, and assigns, are hereby constituted and made a
4 body corporate and politic by the name of Newport Insurance Company,
5 for the purpose of making insurance against loss or damage to automomobiles
6 or other vehicles, including airplanes, seaplanes, dirigibles
7 and other aircraft, whether stationary or being operated under their
8 own power, and their contents by collision, fire burglary or theft,
9 and other perils of operation, and against liability for damage to
10 persons or property of others by collision with such vehicles and
11 against any loss or hazard incident to the ownership, operation or use
12 of motor or such other vehicles, against liability for loss or damage
13 to the property of another caused by the insured or by those for whom
14 the insured is responsible; against any loss or damage for which the
15 insured may be legally liable resulting from accident, injury or ill-

ness including liability of employers under workmen's compensation acts and similar laws; against loss or damage to the person or property of another (but not including life insurance); and all kinds of buildings and household furniture and other property against loss or damage, including loss of use or occupancy by fire, lightning, wind-storm, tornado, cyclone or earthquake, hail, frost or snow, weather or climatic conditions, including excess or deficiency of moisture, flood, rain or drought, rising out of the waters of the ocean or its tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, and by explosion whether fire ensues or not, also against loss or damage by insects or disease to farm crops or products and loss of rental value of land used in producing such crops or products, and also against loss or damage by water or other fluid to any goods or premises arising from the breakage or leakage of sprinklers, pumps or other apparatus erected for extinguishing fires or of other conduits or containers, or by water entering through leaks or openings in buildings, and of water pipes and against accidental injury to such sprinklers, pumps, apparatus, conduits, containers or water pipes; and also upon vessels, freights, goods, wares, merchandise, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange, and other evidences of debt, bottomry and respondentia interests, and every insurance appertaining to or connected with marine risks and risks of transportation and navigation, including the risks of lake, river, canal and inland transportation and navigation, and also, in connection with marine or inland marine or transportation insurance, against any risk whether to person or to property, including liability for loss or damage to either arising out of construction, repair, operation, maintenance or use of the subject matter of such primary insurance, (but not including life insurance); and of becoming principal, surety, indemnitor, endorser or otherwise, binding itself on, or upon, any bond, recognizance, undertaking, guaranty, contract of indemnity, agreement or

1 writing obligatory in the nature thereof, and on or upon every obli-
2 gation whatsoever, and of making insurances against any other casualty
3 or risk which now or hereafter may lawfully be the subject of liabil-
4 ity, casualty, burglary, fidelity, indemnity or surety business; and
5 of making insurance of all other types permitted by any general law or
6 public law of this state or special law now or hereafter in effect,
7 insofar as the same may be applicable to said corporation. Said corpo-
8 ration shall have the power to transact all business incidental to the
9 foregoing or connected therewith. Said corporation shall have power to
10 provide for the participation of policyholders in the profits of said
11 corporation in such manner, to such extent, upon such conditions and
12 at such times as the board of directors of said corporation shall
13 determine from time to time.

14 SECTION 2. Said corporation is authorized in addition to the
15 powers conferred upon it by any such law of this state to make
16 insurances in any other state, territory, jurisdiction or foreign
17 country against any and all risks and hazards which may be lawfully
18 assumed in connection with the policies granting insurances under any
19 general or public law of this state or any law of any other state,
20 territory, jurisdiction or foreign country.

21 SECTION 3. Said corporation is authorized to make reinsurances
22 of any risk or hazard taken by it or offered to it on any risk taken
23 by any indemnity or casualty or marine or fire insurance company or
24 reinsurance company or underwriter.

25 SECTION 4. The management of the business and affairs of the
26 corporation shall be vested in a board of not less than five (5)
27 directors not more than fifteen (15) directors to be elected at the
28 first meeting of the incorporators to hold office for a term of two
29 (2) years and until their successors are elected and qualified, and
30 thereafter to be elected biennially by the stockholders for a term of
31 two (2) years and until their successors are elected and qualified.
32 Directors need not be stockholders or residents of the state of Rhode

1 island. In case of any vacancy in the office of a director by death,
2 resignation, or disqualification, the remaining directors shall have
3 the power to elect a successor to hold office for the unexpired por-
4 tion of the term of the director or directors whose place shall be
5 vacant. The directors of the corporation shall have sole power to
6 make by-laws and to elect such officers as are provided for by the by-
7 laws and may elect an executive committee and such other committees as
8 they may see fit from their own number and may delegate to such com-
9 mittees such of the powers of the board of directors and such other
10 powers as they may deem expedient.

11 SECTION 5. The capital stock of said corporation shall not
12 exceed one million dollars (\$1,000,000.) to be fixed in amount from
13 time to time by vote of the board of directors, and shall be divided
14 into shares of one (1) dollar each or such other par value as the
15 board of directors from time to time shall fix; provided, however,
16 that this corporation shall have a paid-in capital stock of not less
17 than \$200,000. and a paid-in surplus of not less than \$800,000. before
18 any policy shall be issued by the corporation. Before any stock may be
19 issued said corporation shall pay to the general treasurer for the use
20 of the state a tax upon such issue equal to one-tenth of one per cent
21 of the par value of such issue and shall file a certificate of the
22 general treasurer of the fact of payment of such tax together with a
23 copy of such vote, duly certified by the secretary under the seal of
24 the corporation in the office of the secretary of state. This corpora-
25 tion shall also secure a certificate in compliance with the foregoing
26 from the chief of the division of banking and insurance before they
27 shall be authorized to write or effect any insurance.

28 SECTION 6. The annual meeting of the stockholders of the corpo-
29 ration shall be held on the third Monday in January each year and
30 other meetings may be held at such other times as may be deemed desir-
31 able and shall be called in accordance with the provisions of the by-
32 laws. At all meetings of the stockholders each stockholder shall be

1 entitled to one vote for each share of stock standing in his name on
2 the books of said corporation at the time of the close of the transfer
3 of books for said meeting, and the stockholders may vote in person or
4 by proxy, and the shares of stock shall be assignable and transferable
5 on the books of said corporation in such manner and in accordance with
6 such rules and regulations as the directors or by-laws may prescribe.

7 SECTION 7. Said corporation shall have the power to make con-
8 tracts, incur liabilities, and borrow money; to acquire, hold, sell,
9 and transfer shares of its own capital stock; to acquire, hold, sell,
10 assign, transfer, mortgage, pledge or otherwise dispose of any bonds,
11 securities, or evidence of indebtedness created by or the shares of
12 the capital stock of any other corporation or corporations of this
13 state or of any other state, territory, country, nation or government
14 and while owner of said stock to exercise all the rights, powers and
15 privileges of ownership, including the right to vote thereon. Said
16 corporation shall also have power to acquire, hold, use, manage, con-
17 vey, -lease, mortgage, pledge, or otherwise dispose of within or with-
18 out this state any other property, real or personal, which its pur-
19 poses shall require, and said corporation shall also have the power to
20 sell and hold capital stock, bonds, or other property of persons,
21 firms, and corporations engaged in kindred, similar or dissimilar kinds
22 of business and to invest the surplus and other funds in such stock,
23 bonds, mortgages, securities or real estate as its board of directors
24 may from time to time determine.

25 SECTION 8. Said corporation shall have its principal place of
26 business in the state of Rhode Island.

27 SECTION 9. This act shall take effect upon passage.

RE270

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
TO INCORPORATE NEWPORT INSURANCE COMPANY

- 1 This act would incorporate the Newport Insurance Company.
- 2 This act would take effect upon passage.

RE270

AN ACT
TO INCORPORATE NEWPORT INSURANCE COMPANY

Presented by

James D. King

IN HOUSE OF REPRESENTATIVES
JUN 21 1985
Read and Passed in Concurrency
Clayton J. King
Clerk

DEPARTMENT,
JUN 21 1985
NO ACTION
TAKEN BY THE
GOVERNOR

RECEIVED FROM THE GOVERNOR
WITHOUT SIGNATURE
EFFECTIVE JUN 8 1985
IN ACCORDANCE WITH SECTIONS 43-11 AND 43-12 OF THE GENERAL LAWS

IN HOUSE OF REPRESENTATIVES
MAY 29 1985
RECOMMEND THE PASSAGE
OF THE WITHIN BILL
Clayton J. King
Clerk

IN HOUSE OF REPRESENTATIVES
MAY 19 1985
THE COMMITTEE ON CORPORATIONS
RECOMMEND THE PASSAGE IN CON-
CURRENCE WITHIN BILL
OF THE WITHIN BILL
Clayton J. King
FOR THE CLERK

~~IN HOUSE OF REPRESENTATIVES
MAY 19 1985
RECOMMEND THE PASSAGE IN CON-
CURRENCE WITHIN BILL
OF THE WITHIN BILL~~

~~IN HOUSE OF REPRESENTATIVES
MAY 19 1985
RECOMMEND THE PASSAGE IN CON-
CURRENCE WITHIN BILL
OF THE WITHIN BILL~~

IN THE SENATE MAR 29 1985
Read and referred to
the Committee on
CORPORATIONS
Robert F. Wall
Reading Clerk

IN SENATE... MAY 21 1985
THE COMMITTEE ON CORPORATIONS
RECOMMEND THE PASSAGE
OF THE WITHIN BILL
Robert F. Wall
FOR THE COMMITTEE

IN THE SENATE MAY 22 1985
Ordered to be
placed upon the
calendar.
Robert F. Wall
Reading Clerk

IN THE SENATE MAY 23 1985
Robert F. Wall
Read and PASSED Reading Clerk