§ 7005. Organization and corporate procedure. (a) A pure captive insurance company may be incorporated (1) as a stock insurer with its capital divided into shares and held by the stockholders; or (2) as a mutual insurer without capital stock, the governing body of which is appointed by the parent industrial insured; or (3) in the case of a public benefit corporation, public authority or other public entity, as the applicable state law may require. In the case of a city with a population of one million or more, a pure captive insurance company also may be formed as a public benefit corporation or not-for-profit corporation at the discretion of the mayor of such city, for the purpose of providing insurance that is retroactive to September eleventh, two thousand one, for risks incurred by such city and its affiliated companies related to or arising out of activities in or near the World Trade Center site in response to the attacks of September eleventh, two thousand one. Such pure captive insurance company formed by a city with a population of one million or more shall be exempt from all state and local taxes. The members or directors, as the case may be, of such pure captive insurance company shall be appointed by the mayor of such city or by such other city official as the mayor may designate. Neither the mayor of such city, nor any of the captive's members, directors, officers, employees or agents appointed by or with the approval of such city, nor any officials, officers, employees or agents of the city, while acting within the scope of their authority, shall be subject to any personal liability resulting from the exercise or carrying out of any of the city's or captive's purposes or powers under this article.

(b) A group captive insurance company may be incorporated:

(1) as a stock insurer with its capital divided into shares and held by the stockholders, or

(2) as a mutual insurer without capital stock, the governing body of which is elected by the member organizations of the industrial insured group.

(c) The proposed incorporators shall submit to the superintendent the company's proposed charter, which shall contain:

(1) the corporation's name, which shall not be the same as, deceptively similar to, or likely to be confused with or mistaken for any other existing business name registered in this state;

(2) the kind of insurance business to be transacted;

(3) the place where the principal office is to be located;

(4) the number of directors;

(5) the amount of its capital, if a stock corporation; and

(6) any other particulars necessary to explain the corporation's objectives, management and control.

(d) The charter and any organization fee shall be transmitted to the attorney general, who shall record the charter.

(e) The recorded charter shall be filed in the superintendent's office and a certified copy shall be issued to the incorporators.

(f) The capital stock of a captive insurance company incorporated as a stock insurer shall be issued at not less than par value.

(g) The board of directors of a captive insurance company incorporated in this state shall have at least three members, with at least two of the members required to be residents of this state.

(h) The provisions of article seventy-one of this chapter shall apply in determining the procedures to be followed by captive insurance companies in carrying out any of the transactions described therein, except the superintendent may waive or modify the requirements in accordance with rules or regulations which the superintendent shall adopt addressing such categories of transactions.

(i) The articles of incorporation or bylaws of a captive insurance company shall authorize a quorum of a board of directors to consist of no fewer than one-third of the fixed number of directors.