

SENATE No. 461

The Commonwealth of Massachusetts

PRESENTED BY:

Mark C. Montigny

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to executive compensation for mutual companies.

PETITION OF:

NAME:

Mark C. Montigny

DISTRICT/ADDRESS:

Second Bristol and Plymouth

SENATE No. 461

By Mr. Montigny, a petition (accompanied by bill, Senate, No. 461) of Mark C. Montigny for legislation relative to compensation of executive officers for mutual companies. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to executive compensation for mutual companies.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 175 of the General Laws is amended by inserting, after Section
2 19I, the following new section:-

3 19I ½. The commissioner of insurance shall further promulgate regulations with the
4 express purpose of increasing transparency. Such regulations shall include, but not be limited to,

5 (i) requiring a mutual or mutual holding company to provide full and accurate disclosure
6 of all compensation to the named executive officers or directors, whether paid or accrued and of
7 all conflicts of interest, whether direct or indirect; and

8 (ii) requiring that, at least once every 3 years, a proxy or consent or authorization or
9 solicitation or notice of an annual meeting, in a form of which the commissioner shall determine,
10 of a mutual or mutual holding company shall include a separate resolution subject to a non-
11 binding vote to approve or disapprove the compensation of the named executive officers or
12 directors