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(Address)

(Address)

(City/State/Zip/Phone #)

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07 DEC 19 PM 12:13
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

APPROVED
AND
FILED

~~1009~~
W07-53416

B. McKnight DEC 19 2007



FLORIDA DEPARTMENT OF STATE
Division of Corporations

October 29, 2007

JASON D BRUSH
1 LINS COTT ROAD
WO BURN, MA 01801

SUBJECT: THE SAVINGS BANK LIFE INSURANCE COMPANY OF
MASSACHUSSETTS
Ref. Number: W07000053416

We have received your document for THE SAVINGS BANK LIFE INSURANCE COMPANY OF MASSACHUSSETTS and your check(s) totaling \$87.50. However, the enclosed document has not been filed and is being returned for the following correction(s):

Written approval and clearance of the terms BANK, BANKER, BANKING, TRUST COMPANY, BANCSHARES, SAVINGS & LOAN ASSOCIATION, SAVINGS BANK, or CREDIT UNION or words of similar import, must be obtained from the Office of Financial Institutions, pursuant to section 655.922(2a), Florida Statutes.

To make the necessary corrections and resubmit your filing, return to our website and access electronic filing, then online filing. Choose to update your request by using the confirmation number and the pin number listed above. For any questions concerning the website, please call 850-245-6939. **Please disregard this letter, if you have contacted our office and were advised how to correct your document online.**

If you have any further questions concerning your filing, please call (850) 245-6931.

Becky McKnight
Regulatory Specialist II
New Filing Section

Letter Number: 807A00063276

SBLI[®]

THE NO NONSENSE
LIFE INSURANCE COMPANY

October 17, 2007

New Filing Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, Florida 32301

RE: Application by Foreign Corporation for Authorization to Transact Business in Florida

Dear Sir/Madam:

Pursuant to section 607.1503(1) of Florida Statutes, enclosed is a completed Cover Letter form, an Application by Foreign Corporation for Authorization to Transact Business in Florida form (with attached lists of our current Directors and Senior Officers), and a check in the amount of \$87.50 for the filing fee and request for a certified copy of a Certificate of Status. We respectfully ask that you approve this application as soon as possible.

Please note that SBLI of MA was originally established by an Act of the Massachusetts Legislature in 1907, which empowered mutual savings banks to establish life insurance departments. The purpose of the Massachusetts law was to provide a system of low-cost, over-the-counter life insurance to all residents of Massachusetts. On December 31, 1990, Chapter 499 of the Acts of 1990 was signed into law. Chapter 499, at the close of the business on December 31, 1991, provided for the conversion of the Massachusetts Savings Bank Life Insurance System into conventional stock life insurance companies. Accordingly, on January 1, 1992, SBLI of MA commenced business as a Massachusetts domestic stock insurer. That said, since SBLI is a creature of statute it does not have Articles of Incorporation. Attached hereto is a copy of Chapter 499 of the Acts of 1990 under original certification of the Massachusetts Secretary of the Commonwealth.

Also enclosed is an original Certificate of Compliance from the Massachusetts Division of Insurance.

If you have any questions or concerns related to this application package, feel free to contact me directly at the phone number listed below. Thank you for your time and consideration in reviewing this application submission.

Very truly yours,


Jason D. Brush
AVP & Associate Counsel
781-994-5407
jbrush@sbli.com

Enclosures

Cc: Robert K. Sheridan
Peter Lyons
James Loring

THE SAVINGS BANK LIFE INSURANCE COMPANY OF MASSACHUSETTS

One Linscott Road, Woburn, MA 01801 • 781-938-3500 • Fax 781-938-6574



THE NO NONSENSE
LIFE INSURANCE COMPANY®

VIA OVERNIGHT MAIL

December 18, 2007

Ms. Becky McKight
New Filing Section
FL Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, Florida 32301

RE: Supplement to Application by Foreign Corporation for Authorization to Transact Business in Florida

Reference #: W07000053416

Dear Ms. McKnight:

Pursuant to your request within your letter dated October 29, 2007 (Letter #807A00063276), we have obtained approval from the Florida Office of Financial Institutions to use our legal corporate name, "The Savings Bank Life Insurance Company of Massachusetts" in your state. Enclosed you will find a copy of the approval letter we received from the Director of that office, Ms. Linda B. Charity, dated December 13, 2007.

We respectfully request that you now issue an approval of our initial submission for a Certificate of Status from your office.

Copies of all relevant correspondence are enclosed for your review. I can be reached directly at the number listed below if you have any further questions or concerns.

Thank you.



Jason D. Brush
AVP & Associate Counsel
781-994-5407
jbrush@sbli.com

Enclosures

Cc: Robert K. Sheridan
Peter Lyons
James Loring
Denis Clifford

THE SAVINGS BANK LIFE INSURANCE COMPANY OF MASSACHUSETTS®

One Linscott Road, Woburn, MA 01801 • 800-795-7254



OFFICE OF FINANCIAL REGULATION

DON B. SAXON
COMMISSIONER

**FINANCIAL SERVICES
COMMISSION**

CHARLIE CRIST
GOVERNOR

BILL MCCOLLUM
ATTORNEY GENERAL

ALEX SINK
CHIEF FINANCIAL OFFICER

CHARLES BRONSON
COMMISSIONER OF
AGRICULTURE

December 13, 2007

Mr. Jason D. Brush
AVP & Associate Counsel
1 Linscott Road
Woburn, MA 01801

Dear Mr. Brush:

Re: The Savings Bank Life Insurance Company of Massachusetts

Thank you for your recent letter/fax requesting approval for use of the above-referenced name.

Based on representations made in your November 29, 2007 and November 8, 2007 letters, it is the opinion of this Office that the above-referenced corporate name is definitive enough to differentiate the business being conducted from that of a commercial bank or trust company. Therefore, the Office does not object to your use of the above-referenced name being registered to conduct business in the state of Florida. However, this does not give one the authority to act in any licensed capacity until all licensing requirements have been met within this state.

Sincerely,

Linda B. Charity
Director

LBC:bk

cc: Karon Beyer, Chief, Bureau of Commercial Recordings, Division of Corporations,
Department of State

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

APPROVED
AND
FILED

COVER LETTER

TO: New Filing Section
Division of Corporations

SUBJECT: The Savings Bank Life Insurance Company of Massachusetts
(Name of corporation - must include suffix)

Dear Sir or Madam:

The enclosed "Application by Foreign Corporation for Authorization to Transact Business in Florida," "Certificate of Existence," and check are submitted to register the above referenced foreign corporation to transact business in Florida.

Please return all correspondence concerning this matter to the following:

Jason D. Brush

(Name of Person)

SBLI of MA

(Firm/Company)

1 Winscott Road

(Address)

Woburn, MA 01801

(City/State and Zip code)

For further information concerning this matter, please call:

Jason Brush

(Name of Person)

at (781) 994-5407

(Area Code & Daytime Telephone Number)

STREET/COURIER ADDRESS:

New Filing Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

MAILING ADDRESS:

New Filing Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Enclosed is a check for the following amount:

☐ \$70.00 Filing Fee

☐ \$78.75 Filing Fee &
Certificate of Status

☐ \$78.75 Filing Fee &
Certified Copy

☒ \$87.50 Filing Fee,
Certificate of Status &
Certified Copy

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT
BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO
REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA.

1. The Savings Bank Life Insurance Company of Massachusetts
(Enter name of corporation; must include "INCORPORATED," "COMPANY," "CORPORATION,"
"Inc.," "Co.," "Corp.," "Inc.," "Co.," or "Corp.")

(If name unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)

2. Massachusetts 3. 04-3117253
(State or country under the law of which it is incorporated) (FEI number, if applicable)

4. 12/31/91 5. Perpetual
(Date of incorporation) (Duration: Year corp. will cease to exist or "perpetual")

6. N/A
(Date first transacted business in Florida, if prior to registration)
(SEE SECTIONS 607.1501 & 607.1502, F.S., to determine penalty liability)

7. 1 Linscott Road, Woburn, MA 01801
(Principal office address)

(same)

(Current mailing address)

8. Sell life insurance and annuities products
(Purpose(s) of corporation authorized in home state or country to be carried out in state of Florida)

9. Name and street address of Florida registered agent: (P.O. Box NOT acceptable)

Name: Chief Financial Officer

Office Address: Office of Insurance Regulation
200 E. Gaines St., Florida 32399
(City) Tallahassee (Zip code)

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TALLAHASSEE, FLORIDA

AND
FILED

10. Registered agent's acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

N/A

(Registered agent's signature)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and business addresses of officers and/or directors:

A. DIRECTORS

Chairman: see attached list

Address: _____

Vice Chairman: _____

Address: _____

Director: _____

Address: _____

Director: _____

Address: _____

B. OFFICERS

President: see attached list

Address: _____

Vice President: _____

Address: _____

Secretary: _____

Address: _____

Treasurer: _____

Address: _____

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13. _____

(Signature of Director or Officer listed in number 12 of the application)

14. _____

Robert K. Sheridan, President & CEO
(Typed or printed name and capacity of person signing application)

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

APPROVED
AND
FILED

2007-2008 SBLI of MA DIRECTORS

Term Expiration / Committees

Name and Address

Contact Information

2010
Executive
Investment

Gerald T. Mulligan, Chairman, SBLI (T)
President and CEO
RiverBank
30 Massachusetts Avenue
North Andover, MA 01845-3460

[REDACTED]
Fax: [REDACTED]
978-725-7553 Cindy Milne
gmulligan@riverbk.com

2009
Compensation (Chair)
Executive

Kevin G. Champagne (D)
Stone Harbour Condominiums Unit: N-505
345 Thames Street
Bristol, RI 02809

[REDACTED]
[REDACTED]
kgchampagne@yahoo.com

2008
Audit
Compensation

Arthur R. Connelly, Chairman
South Shore Savings Bank
1530 Main Street
South Weymouth, MA 02190

[REDACTED]
Cell: 617-771-1833
Fax: 781-335-2957
781-682-3113 Linda Ellis

2009
Audit

Martin F. Connors, Jr., President & CEO
Fitchburg Savings Bank
780 Main Street
Fitchburg, MA 01420

[REDACTED]
Fax: 978-343-2166
978-343-2203 Donna Brazier
martinconnors@fsbfsb.com

2010
Investment

Stephen G. Crowe, President & CEO
Mountainone Financial Partners
93 Main Street
North Adams, MA 01247-3420

[REDACTED]
scrowe@mountainone.com
413-663-2141 Kelli Kozak
kkozak@mountainone.com

2008
Investment

J. Williar Dunlaevy, Chairman & CEO
Legacy Banks
99 North Street
P. O. Box 1148

[REDACTED]
[REDACTED]
Fax: 413-442-8155
bill.dunlaevy@LegacyBanks.com

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FILED
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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

2009
On All Committees
Contributions (Chair)
Executive (Chair)

Robert K. Sheridan, President & CEO
Savings Bank Life Insurance
One Linscott Road
Woburn, MA 01801

W [REDACTED] #00
781-994-5430 Marybeth

2010
Audit
Compensation

Robert F. Verdonck, President & CEO
East Boston Savings Bank
67 Prospect Street
Peabody, MA 01960-1603

[REDACTED] 11
978-977-2201 Joanne Fuller
rverdonck@ebsb.com

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

2007 SBLI of MA OFFICERS

Business Address for all Officers: 1 Linscott Road, Woburn, MA 01801

1. Robert K. Sheridan, President and Chief Executive Officer
2. Octavio C. Bolivar, SVP/Chief Information Officer
3. Rosemarie G. Conneely, SVP
4. Paul M. Fergus, M.D., SVP and Medical Director
5. William J. Gaffney, Jr., SVP/Corporate Development
6. May Lee Low, SVP and Chief Actuary
7. Peter M. Lyons, SVP and General Counsel
8. James A. Morgan, SVP and Chief Investment Officer and Treasurer
9. Sandra L. Williams, SVP/Human Resources
10. James P. Loring, SVP and CFO
11. Janice C. Albertazzi, VP and Associate Counsel
12. David R. Caldwell, VP
13. Dolores M. Capua, VP
14. James T. Coady, VP
15. Anthony J. DeGregorio, Vice President and Institutional Marketing Officer
16. Lee-Anne Downey, Vice President/Information Systems
17. David H. Hammond, Vice President and IRA Compliance
18. A. Grant Hemphill, Vice President and Actuary
19. Daniel R. LeBlanc, Vice President/Director of Internal Audit
20. James M. MacDougall, VP/Underwriting
21. Dexter H. Murray, VP
22. Ernel D. Perry, VP
23. Dwight G. Wilbur, VP and Chief Compliance Officer
24. Rose Cahill, VP/Marketing
25. Dennis Clifford, VP and Director of Brokerage
26. John R. Bentz, AVP
27. Jason D. Brush, Assistant Vice President and Associate Counsel
28. Mary Cusack, AVP
29. Joanne Freeman, AVP
30. John S. Jaskul, AVP
31. Susan McBride, AVP
32. Kathy McInerney, AVP
33. Spiro Papanastasiou, AVP
34. Steven F. Wellman, AVP
35. Jeffrey Donahue, AVP
36. Maria Cianfichi, AVP
37. Maria Rufo Bueno, AVP
38. Marybeth Leary, Corporate Secretary
39. Voula Ioannidis, Assistant Corporate Secretary

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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APPROVED
AND
FILED



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

One South Station • Boston, MA 02110 - 2208
(617) 521-7794 • FAX (617) 521-7771
TTY/TDD (617) 521-7490
<http://www.mass.gov/doi>

MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR

JANICE S. TATARKA
DIRECTOR, CONSUMER AFFAIRS
AND BUSINESS REGULATION

JULIANNE M. BOWLER
COMMISSIONER OF INSURANCE

Serial #: 000482361000
Effective Date: 1/1/2007
NAIC #: 70435
Federal ID #: 043117253

DOMESTIC COMPANY
CERTIFICATE OF COMPLIANCE

THIS IS TO CERTIFY THAT

Savings Bank Life Ins. Co. of Massachusetts (The)

is duly organized under the laws of this Commonwealth, and that it is authorized under Sections of Chapter 175 of the General Laws of Massachusetts and amendments thereto described by the following designations:

16A

DESIGNATION CODES:

1	Fire	15	Reinsurance (Reinsurance Companies Only)
2A	Ocean & Inland Marine	16A	Life - All Kinds
2B	Inland Marine Only	16B	Group Life Only
4	Fidelity and Surety	16C	Variable Annuity Authorization
5A	Boiler	16D	Annuities Only
5B	Boiler (No Inspector)	16E	Variable Life Authorization
6A	Accident - All Kinds	17	Repair - Replacement
6B	Health - All Kinds	19	Legal Services
6C	Group Accident & Health	20	Credit Involuntary Unemployment
6D	Non-Can. Acc. & Health	51	Stock Companies >(Extension of coverage
6E	Workers' Compensation	54	Mutual Companies >not specified in Section 47)
6F	Liability other than Auto	54BX	Reinsurance except Life
6G	Auto Liability	54BY	Nuclear Energy
7	Glass	54BZ	Special Hazards
8	Water Damage and Sprinkler Leakage	54C	Comprehensive M.V. & Aircraft
9	Elevator Property Damage and Collision	54D	Personal Property Floater
10	Credit	54E	Dwellings
11	Title	54F	Commercial Property
12	Burglary, Robbery, Theft	54G	Reinsurance - Life Companies Only
13	Livestock		

This certificate shall remain in effect for an indefinite term unless said authority is amended or revoked in accordance with law.

Julianne M. Bowler
Commissioner of Insurance

APPROVED
AND
FILED

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA



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AND
FILED

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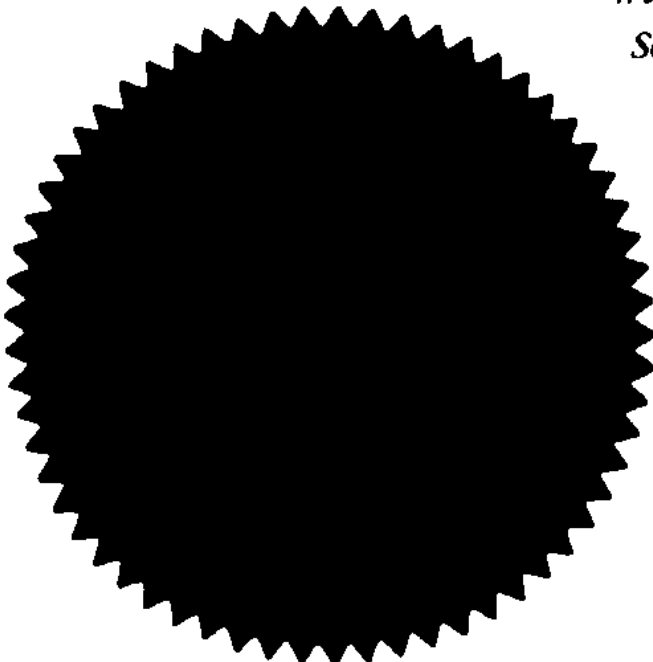
The Commonwealth of Massachusetts
William Francis Galvin, Secretary of the Commonwealth

Acts of 1990, chapter 499

*A True Copy Witnessed Under the
Great Seal of the Commonwealth*

William Francis Galvin

William Francis Galvin
Secretary of the Commonwealth



THE COMMONWEALTH OF MASSACHUSETTS

In the Year One Thousand Nine Hundred and Ninety

AN ACT RELATIVE TO SAVINGS BANK LIFE INSURANCE.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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APPROVED
AND
FILED

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

SECTION 1. Chapter 26 of the General Laws is hereby amended by striking out section 1, as appearing in the 1988 Official Edition, and inserting in place thereof the following section:-

Section 1. There shall be a department of banking and insurance consisting of a division of banks and loan agencies and a division of insurance. Each division shall be in charge of a commissioner who shall be known, respectively, as the commissioner of banks and the commissioner of insurance. The commissioners shall act as a board in all matters concerning the department as a whole.

SECTION 2. Section 8C of said chapter 26, as so appearing, is hereby amended by striking out, in lines 27 to 29, inclusive, the words "and as the words "savings insurance bank" and "insurance department" as defined in section one of chapter one hundred and seventy-eight,".

SECTION 3. Said chapter 26 is hereby further amended by striking out the caption preceding section 9.

SECTION 4. Sections nine and ten of said chapter twenty-six are hereby repealed.

SECTION 5. Section 1 of chapter 30 of the General Laws, as appearing in the 1988 Official Edition, is hereby amended by striking out, in line 5, the words "of savings bank life insurance".

SECTION 6. Paragraph (b) of section 2 of chapter 32A of the General Laws, as so appearing, is hereby amended by striking out, in line 9, the words "the division of savings bank life insurance".

SECTION 7. Section 4 of said chapter 32A, as so appearing, is hereby amended by striking out, in lines 28 to 30, the words "any savings bank authorized to engage in the insurance business in accordance with chapter one hundred and seventy-eight and".

SECTION 8. Section 8 of said chapter 32A, as so appearing, is hereby amended by striking out, in lines 84 and 85, the words ", the division of savings bank life insurance".

SECTION 9. Section 3 of chapter 32B of the General Laws, as so appearing, is hereby amended by striking out, in lines 72 to 74, inclusive, the words "any savings bank authorized to engage in the insurance business in accordance with chapter one hundred and seventy-eight and".

SECTION 10. Section 12 of chapter 62C of the General Laws, as so appearing, is hereby amended by striking out paragraph (c).

SECTION 11. Section eighteen of chapter sixty-three of the General Laws is hereby repealed.

SECTION 12. Paragraph (1) of section 22B of said chapter 63, as appearing in the 1988 Official Edition, is hereby amended by striking out, in lines 2 to 4, inclusive, the words "and every savings and insurance bank not subject to the gross investment income tax under section eighteen".

SECTION 13. Section 22C of said chapter 63, as so appearing, is hereby amended by striking out, in lines 1 and 2, the words "or savings or insurance bank".

SECTION 14. The second paragraph of section 39 of chapter 168 of the General Laws, as so appearing, is hereby amended by striking out, in line 21, the words ", the Savings Bank Life Insurance Council".

SECTION 15. Section 3 of chapter 175 of the General Laws, as so appearing, is hereby amended by striking out, in line 8, the words "or one hundred and seventy-eight".

SECTION 16. Section 3A of said chapter 175, as so appearing, is hereby amended by striking out, in lines 5 and 6, the words ", and, so far as is provided therein, chapter one hundred and seventy-eight".

SECTION 17. Section 24A of said chapter 175, as so appearing, is hereby amended by striking out, in lines 3 to 5, inclusive, the words "and no savings and insurance bank as defined in section one of chapter one hundred and seventy-eight".

SECTION 18. Section 120A of said chapter 175, as so appearing, is hereby amended by striking out the second sentence and inserting in place thereof the following sentence:- "Insurer" as used in this section shall include every life insurance company as defined in section one hundred and eighteen of chap-

ter one hundred and seventy-five and every fraternal benefit society as defined in section one of chapter one hundred and seventy-six.

SECTION 19. Section 138A of said chapter 175, as so appearing, is hereby amended by striking out, in line 21, the words ", including in such term a savings and insurance bank".

SECTION 20. Section 146B of said chapter 175, as so appearing, is hereby amended by striking out, in lines 32 to 35, the words "(k) savings and insurance bank as defined in section one of chapter one hundred and seventy-eight or other depository underwriting insurance subject to analogous terms and conditions".

SECTION 21. Section 193T of said chapter 175, as so appearing, is hereby amended by striking out, in lines 1 and 2, the words "or savings and insurance bank".

SECTION 22. Chapter one hundred and seventy-eight of the General Laws is hereby repealed.

SECTION 23. The General Laws are hereby further amended by inserting after chapter 178 the following chapter:-

CHAPTER 178A.

SAVINGS BANK LIFE INSURANCE.

Section 1. The following words as used in this chapter, unless the context otherwise requires, shall have the following meanings:-

"Bank", a trust company, commercial bank, savings bank, savings and loan association, cooperative bank or credit union chartered by the commonwealth, a national banking association, federal savings and loan association, federal savings bank or federal credit union which has its main office located in and is authorized to do business in the commonwealth.

"Certificate", the certificate issued by the commissioner pursuant to section thirty-two of chapter one hundred and seventy-five;

"Commissioner", the commissioner of insurance;

"Company", The Savings Bank Life Insurance Company of Massachusetts;

"Date of conversion", the date on which the certificate is effective;

"Directors", the directors of the company;

"Division", the division of insurance of the department of banking and insurance of the commonwealth;

"Individual policyholder", persons holding individual policies of savings bank life insurance on the date of conversion;

"insurance contracts", life and annuity policies and contracts, and pure endowment contracts;

"insurance department", the department of a savings and insurance bank in which the business of issuing savings bank life insurance is conducted;

"savings bank", a bank chartered under the provisions of chapter one hundred and sixty-eight and any such bank which has converted to federal charter;

"savings and insurance bank", a savings bank which has established an insurance department under the provisions of chapter one hundred and seventy-eight and is operating such department on the date of conversion;

"savings bank life insurance", insurance contracts issued by a savings and insurance bank;

"surplus", the total amount of surplus on the effective date of conversion of the insurance department of each savings and insurance bank assumed by the company calculated in the manner provided in the annual financial statement filed pursuant to section twenty-nine of chapter one hundred and seventy-eight together with such adjustments and additions and subtractions to said statement as deemed necessary by the commissioner and approved, in writing, by a majority of the members of the policyholders protective board established by section nine to reflect the market value of assets on the date of conversion, and to effectuate a conversion that is fair, equitable and non-prejudicial to individual policyholders and to provide for the establishment of the company on a safe and sound basis so as to insure its ability to offer safe, low cost insurance.

Section 2. There is hereby established a domestic stock life insurance company to be known as The Savings Bank Life Insurance Company of Massachusetts and such company shall have all the rights, powers and privileges and be subject to all the duties, liabilities and restrictions of a domestic stock insurance company established under the provisions of chapter one hundred and seventy-five, except as otherwise provided herein. Upon the date of conversion, such company may issue insurance contracts as set forth in clause sixteenth of section forty-seven of said chapter one hundred and seventy-five and shall assume the ownership and operation of the insurance departments of all savings and insurance banks and the Savings Bank Life Insurance Council, established by section thirty-two of chapter one hundred and seventy-eight, as hereinafter provided. The company shall be subject to the provisions of chapter sixty-three, insofar as applicable, in the same manner as a life insurance

company as defined in section one hundred and eighteen of said chapter one hundred and seventy-five.

Section 3. Each savings and insurance bank shall designate one of its directors or trustees to serve as a director of the company until such time as their successors shall have been duly elected by the stockholders of the company. Such designations shall be filed with the commissioner and said directors shall adopt by-laws governing the operation of the company. Except as provided in section nine, no person shall be eligible for election to serve as a director of the company who is not a director, trustee or officer of a savings bank or is not an officer of the company.

Section 4. Within forty-five days after the establishment of the company, the directors shall submit to the commissioner a plan pursuant to which the company shall assume the ownership and operation of the insurance department of each savings and insurance bank. Said plan shall provide that all savings and insurance banks shall be issued shares of the capital stock of the company in such proportion as the surplus of the insurance department of each such bank calculated at the fair market value of its assets bears to the total surplus of the insurance departments of all such banks as of the date of conversion, or in such other manner deemed to be fair and equitable by the directors and approved by the commissioner; provided, however, that each such bank shall receive not less than one share of the capital stock of the company. Said plan shall further provide that there shall be two classes of such stock: (a) Class A shares which shall be voting shares, and (b) Class B shares which shall be nonvoting shares. The first share of stock issued to each such bank shall be Class A stock and all remaining shares so issued to any such bank shall be Class B stock. No bank eligible to hold shares in the company shall hold more than one share of Class A stock. All shares of stock shall be considered equal with respect to the payment of dividends, if any, in accordance with section ten.

Notwithstanding the provisions of section one hundred and seventy-four E of chapter one hundred and seventy-five, a bank and its officers and employees may act as an agent or broker exclusively for the company in the sale of insurance contracts. No such bank or its officers and employees shall act as agent or broker for any other insurance company doing business in the commonwealth. All licenses for the sale of savings bank life insurance acquired in accordance with the provisions of section ten A of chapter one hundred and

seventy-eight and in effect on the date of conversion are hereby transferred to the company and shall continue in force until the stated expiration date, at which time, they may be renewed by the company. Applicants for a license as an agent or broker for the company shall be filed in accordance with sections one hundred and sixty-three and one hundred and sixty-three A of said chapter one hundred and seventy-five; provided, however, that any such license shall not become effective until the date of conversion.

The capital stock of the company shall be held only by a savings bank or its holding company; provided, however, that upon any proposed sale of such stock by any such bank or holding company, the shares to be sold shall first be offered to the company for purchase upon the same terms and conditions as those of the proposed sale and the company is hereby authorized, with the approval of the commissioner, to purchase and hold such shares.

Section 5. The plan of assumption shall require the company to assume all policies and contracts of savings bank life insurance in effect on the date of conversion. The plan shall also provide for distribution to individual policyholders of an amount equal to the surplus assumed by the company on the effective date of conversion. Such amount shall be distributed as additional annual dividends over a period of not less than eight nor more than twelve years in accordance with a schedule prepared by the company and approved by the commissioner and shall continue until the sum so distributed equals the amount of said surplus on said date of conversion. The amount of surplus so distributed shall be considered as an expense in determining the net profits of the company. The company shall, in the year following the year in which the final distribution is made according to said schedule, distribute to each individual policyholder then living a further additional dividend equal to the average of the rates established and announced, as the auction average on a discount basis, for United States Treasury bills with maturities of one year at auctions held during the years actually encompassed, multiplied by the sum of the additional annual dividends. In the event that any individual policyholder entitled to distribution dies prior to the complete distribution of said surplus, the beneficiary of said policyholder shall, in addition to the payment of the proceeds of such policy, receive a postmortem dividend equal to the then present value of the unpaid additional annual dividends which would have accrued to such policyholder had he survived until the total surplus was so distributed, together with a pro rata payment, as of said policyholder's

ate of death, of the amount of said payment of interest determined in accordance with this section. In any year, the company may defer the distribution of said surplus for such year upon certification to and approval by the commissioner that the same would result in reducing the surplus to reserve ratio of the company below six percent. In the event of a complete liquidation of the company, there shall be distributed to individual policyholders an amount equal to the difference, if any, between the surplus assumed by the company on the effective date of conversion and the sum of such previously distributed amounts.

Section 6. After receipt by him of the plan of assumption, the commissioner shall fix the time and place for a public hearing thereon, which shall be held not more than forty-five days after said receipt. Fourteen days' notice of such hearing shall be sent by mail to each savings and insurance bank and shall include a summary of said plan as prepared by the commissioner. Notice of the time and place of such hearing, including said summary, shall be published once each week for two consecutive weeks in a newspaper of general circulation in each county of the commonwealth, with the last publication being at least fourteen days prior to the date of the hearing. If, after such hearing, the commissioner determines that the plan of assumption conforms to the requirements of this act, he shall approve said plan and issue to the company the certificate required by section thirty-two of chapter one hundred and seventy-five to be effective as of the close of business on December thirty-first, nineteen hundred and ninety-one. A refusal by the commissioner to grant his approval to the plan of assumption and to issue said certificate shall be subject to judicial review. If the commissioner has failed to issue such certificate by said December thirty-first, nineteen hundred and ninety-one, the company shall be authorized to conduct insurance business in accordance with chapter one hundred and seventy-eight of the General Laws until such time as said certificate is issued. For the purposes of this section, the commissioner may incur costs, not to exceed two hundred and fifty thousand dollars, and may expend the same without further appropriation for consultants and other personnel and may assess such cost against the savings and insurance banks in such proportion as the surplus of the insurance department of each such bank bears to the total surplus of the insurance departments of all such banks as of January first nineteen hundred and ninety.

Section 7. Upon the date of conversion, the company shall assume all of the assets including any surplus, rights and interests and all of the obligations and liabilities of the insurance departments of all savings and insurance banks and of the Savings Bank Life Insurance Council, to be held by said company pursuant to said plan of assumption and the provisions of this chapter. Upon such assumption, the company shall issue shares of its capital stock as provided in section four whereupon all operations of said insurance departments and the Savings Bank Life Insurance Council shall cease; provided, however, that no action or proceeding pending at the time of such assumption to which any such insurance department or the Savings Bank Life Insurance Council may be a party shall be abated or discontinued and the same shall be brought to final judgment in the same manner as if such assumption shall not have occurred. The company may be substituted as a party to any such action by order of the court.

All insurance contracts, forms and riders which have been authorized for use by savings and insurance banks may continue to be used by the company.

The capital stock of the company shall be legal investments for savings banks. All investments of the insurance departments of savings and insurance banks assumed by the company in accordance with this chapter shall be legal investments for the company.

The company, in establishing rates, benefits and coverages shall not discriminate on the basis of gender. The company shall invest at least fifty percent of its investable assets in Massachusetts investments including, but not limited to, stocks, bonds, securities, mortgages and other debt instruments of Massachusetts corporations or companies, Massachusetts real estate, mortgages of real estate located in Massachusetts, or in such other Massachusetts related investments authorized for domestic life insurance companies by chapter one hundred and seventy-five.

Section 8. Upon the date of conversion, the offices of commissioner and deputy commissioner of savings bank life insurance, the offices of state medical director and state actuary of the division of savings bank life insurance, the Savings Bank Life Insurance Council and the General Insurance Guaranty Fund are abolished; provided, however, that the respective operations thereof may continue for such time, not to exceed thirty days, as is necessary, in the opinion of the commissioner, to discharge business pending as of the date of

conversion and as may be required by the plan of assumption. The costs of all such operations shall be borne by the company.

Section 9. There is hereby established a body corporate to be known as the policyholders protective board, hereinafter in this section and in section ten called the board, consisting of seven members, as herein provided and hereinafter referred to as directors. The governor shall appoint seven original directors of the board, one for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, one for a term of five years, one for a term of six years, and one for a term of seven years; provided, however, that the terms of the original directors shall commence on the date of appointment and shall terminate on June thirtieth in the year of termination. Upon the termination of each of said terms, the governor shall appoint a successor for a term of seven years commencing on July first in the year of appointment. The chairperson shall be designated by the governor for a term of two years. Upon the appointment of said seven original directors, the board shall be empowered to exercise its duties and responsibilities.

Four of the directors of said board shall be persons who are policyholders of savings bank life insurance, none of whom shall be corporators, trustees, directors, officers, employees or agents of a bank; provided, however, that any such person shall be qualified by training and experience in one of the following fields: business management, insurance, investments, accounting or law. Such four directors of the board shall designate one of their number to serve as a director of the company, with full powers as such director of the company.

Three directors of said board shall be policyholders of savings bank life insurance who shall be trustees, directors, officers, employees, or agents of a savings bank owning stock in the company. No person who is an officer, employee or agent of any life insurer other than the company shall be eligible to serve as a director of said board. The directors of the board shall elect, from their own number, a vice-chairman and a treasurer, and shall adopt by-laws governing the operation of said board.

The directors of the board shall review the financial operations of the company on a continuing basis and make such recommendations to the company as they deem appropriate to insure the ability of the company to offer safe, low cost insurance. Copies of such recommendations shall be filed with the com-

missioner and the executive office of consumer affairs and business regulation. Except as provided above, the directors of the board shall have the right to attend meetings of the board of directors of the company and to participate therein but shall not have a vote on any actions taken by said directors of the company. The directors of the board shall be compensated by the company for attendance at meetings of the directors of the company at the same rate of compensation and expense reimbursements received by directors of the company.

Section 10. The company may distribute to its stockholders only such dividends with respect to its capital stock as the directors of the company and the policyholders protective board shall approve. Prior to granting any such approval, said board shall review the operations of the company and if it finds that the company is being operated soundly and that its expenses, earnings and mortality are consistent with the company's purpose of providing safe, low cost insurance, it shall approve such dividends and report its findings, together with the reasons therefor, to the commissioner. The commissioner shall consider the report of the board and may, after notice and hearing if he deems the same to be necessary, veto any such approval if he determines that the payment of such dividends would impair the financial stability of the company or its ability to offer safe, low cost insurance. Any decision of the commissioner vetoing the payment of any such dividends may be judicially reviewed by the superior court of Suffolk county in accordance with the provisions of section fourteen of chapter thirty A.

SECTION 24. Sections one to twenty-two, inclusive, of this act shall take effect on the effective date of the certificate issued by the commissioner of insurance to The Savings Bank Life Insurance Company of Massachusetts in accordance with the provisions of section six of chapter one hundred and seventy-eight A of the General Laws, inserted by section twenty-three of this act or on December thirty-first, nineteen hundred and ninety-two, whichever occurs first.

SECTION 25. Upon the abolition of the General Insurance Guaranty Fund as provided in section eight of chapter one hundred and seventy-eight A of the General Laws, the assets thereof, after payment of all expenses and obligations, as determined by the commissioner of insurance, shall be transferred to the commonwealth and placed in a separate fund to be applied solely for the following purposes:

(b) Fifty percent of said revenue for the purposes of a grant and loan program to assist residential property owners and tenants in financing the removal or covering of paint, plaster, soil or other materials on residential premises containing dangerous levels of lead and in paying for interim housing during such removal or covering; provided, however, that notwithstanding any other provisions of law, said program and funds shall be administered by the Massachusetts Housing Finance Agency established by chapter seven hundred and eight of the acts of nineteen hundred and sixty-six, hereinafter called the agency, consistent with the objectives of sections one hundred and ninety-two to one hundred and ninety-nine A, inclusive, of chapter one hundred and eleven, and the commissioner of administration is hereby authorized and directed to transfer said fifty percent of the balance to said agency within sixty days of the receipt thereof by the commonwealth; and provided, further, that in administering said program, the agency, in addition to its existing powers, shall have, but not be limited to, the following powers: (i) to create an interest loan by-down program either in conjunction with its existing home improvement programs or by other similar initiatives determined to be appropriate by the agency and the executive office of communities and development of the commonwealth; (ii) to develop, in conjunction with the banking and insurance industries of the commonwealth, a low cost financing mechanism for lead paint removal; (iii) to guarantee repayment to lenders writing loans for the purposes of lead paint removal or covering upon such terms and conditions as determined by the board of directors of the agency; (iv) to establish reasonable underwriting standards for the repayment of such lead paint removal or covering loans and to establish the procedures necessary to effect the purposes of said program; and provided, further, that all loans made pursuant to the authority herein contained shall be deemed to be legal investments for banks and insurance companies pursuant to section two of chapter one hundred and sixty-seven F of the General Laws or any other provision of law;

(c) Fifty percent of the said revenue for the purposes of the school improvement fund as contained in Item 7061-4000 of section two of chapter one hundred and fifty of the acts of nineteen hundred and ninety.

SECTION 26. The provisions of sections ten to thirteen, inclusive, of this act shall be applicable to tax years commencing on or after January first, nineteen hundred and ninety-three or the effective date of the certificate issued by the commissioner of insurance to The Savings Bank Life Insur-

ance Company of Massachusetts in accordance with the provisions of section six of chapter one hundred and seventy-eight A of the General Laws, inserted by section twenty-three of this act, whichever occurs first.

SECTION 27. The trustees of the General Insurance Guaranty Fund, established by section nine of chapter twenty-six of the General Laws, shall, in addition to the directors of the policyholders protective board established by section nine of chapter one hundred and seventy-eight A of the General Laws, inserted by section twenty-three of this act, also serve as directors of said policyholders protective board, for a period of two years from the date of conversion as provided in section one of said chapter one hundred and seventy-eight A; provided, however, that notwithstanding the provisions of section nine of said chapter one hundred and seventy-eight A, the president of said General Insurance Guaranty Fund shall serve as the chairperson of the board for the period of two years from the said date of conversion.

SECTION 28. Upon issuing the certificate to the Savings Bank Life Insurance Company of Massachusetts in accordance with the provisions of section six of chapter one hundred and seventy-eight A of the General Laws, inserted by section twenty-three of this act, the commissioner of insurance shall, within thirty days thereafter, notify the clerk of the senate and the clerk of the house of representatives, in writing, that said certificate has been issued.

SECTION 29. Any action of the commissioner of insurance or the policyholders protective board, established by section nine of chapter one hundred and seventy-eight A of the General Laws with respect to any adjustments, additions and subtractions which effect a change in the total amount of the surplus, as defined in section one of said chapter one hundred and seventy-eight A on the date of conversion from the total amount contained in the annual financial statement for calendar year nineteen hundred and ninety filed pursuant to section twenty-nine of said chapter one hundred and seventy-eight, may be judicially reviewed, upon petition of the commissioner, said policyholders protective board, or a savings and insurance bank, by the superior court of Suffolk county in accordance with the provisions of section fourteen of chapter thirty A. In any such review, the court shall consider any actions of the commissioner or the said policyholders protective board only as they are justified insofar as they effectuate a conversion that is fair, equitable and non-prejudicial to individual policyholders and to provide for

the establishment of the company on a safe and sound basis so as to insure its ability to offer safe, low cost insurance.

House of Representatives, December 21, 1990.

Passed to be enacted,

George J. Leuman Speaker.

In Senate, December 21, 1990.

Passed to be enacted,

John S. Brennan Acting President.

December 31, 1990.

Approved,

Michael J. Hauck Governor.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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APPROVED
AND
FILED