

1 Rules as Adopted

2

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23 statement.

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25 4 MCAR SS 1.9271-1.9274 [Reserved for future use.]

26 4 MCAR S 1.9255 Application of rules.

27 A. Domestic stock and mutual insurers. Rules 4 MCAR SS  
28 1.9255-1.9269 apply to each domestic stock insurer, including a  
29 domestic stock and mutual insurer as defined in Minn. Stat. SS  
30 61A.33-61A.36, which has any class of equity security held of  
31 record by 100 or more persons. Rules 4 MCAR SS 1.9255-1.9269  
32 shall not apply to any insurer if 95 percent or more of its  
33 equity securities are owned or controlled by a parent or an  
34 affiliated insurer and the remaining securities are held of  
35 record by less than 500 persons. A domestic stock insurer which  
36 files with the Securities and Exchange Commission forms of

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1 proxies, consents and authorizations complying with the  
2 requirements of the Securities Exchange Act of 1934, as amended,  
3 and the applicable regulations promulgated thereunder shall be  
4 exempt from 4 MCAR SS 1.9255-1.9269.

5 B. Written statement. Unless proxies, consents or  
6 authorizations in respect of any class of equity securities of a  
7 domestic insurer subject to A. are solicited by or on behalf of  
8 the management of the insurer from the holders of record of the  
9 securities in accordance with 4 MCAR SS 1.9255-1.9269 and the  
10 schedules hereunder prior to any annual or other meeting of the  
11 security holders, the insurer shall, in accordance with 4 MCAR  
12 SS 1.9255-1.9269 and other rules the commissioner may adopt,  
13 file with the commissioner and transmit to all equity security  
14 holders who are entitled to vote in regard to any matter to be  
15 acted upon at the meeting and from whom a proxy is not solicited  
16 a written information statement containing the information  
17 specified in 4 MCAR S 1.9269 (Schedule C).

18 4 MCAR S 1.9256 Definitions.

19 A. Applicability. For the purposes of 4 MCAR SS  
20 1.9255-1.9269, the terms defined in this rule have the meanings  
21 given them unless the context otherwise requires.

22 B. Affiliate. An "affiliate" of, or a person affiliated  
23 with, a specified person is a person that directly, or  
24 indirectly through one or more intermediaries, controls, or is  
25 controlled by, or is under common control with, the person  
26 specified.

27 C. Associate. The term "associate" used to indicate a  
28 relationship with any person means any corporation or  
29 organization, other than the issuer or a majority-owned  
30 subsidiary of the issuer, of which the person is an officer or  
31 partner or is, directly or indirectly, the beneficial owner of  
32 ten percent or more of any class of equity security; any trust  
33 or other estate in which the person has a substantial beneficial  
34 interest or as to which the person serves as trustee or in a  
35 similar fiduciary capacity; and any relative or spouse of the  
36 person, or any relative or the spouse, who has the same home as

1 the person or who is a director or officer of the issuer or any  
2 of its parents or subsidiaries.

3 D. Beneficial owner. The term "beneficial owner" includes  
4 any person who, directly or indirectly, through any contract,  
5 arrangement, understanding, relationship, or otherwise has or  
6 shares voting power including the power to vote or direct the  
7 voting of a security, or investment power including the power to  
8 dispose of or direct the disposition of the security.

9 E. Control. The term "control," including the terms  
10 "controlling," "controlled by" and "under common control with,"  
11 means the possession, direct or indirect, of the power to direct  
12 or cause the direction of the management and policies of a  
13 person, whether through the ownership of voting securities by  
14 contract or otherwise.

15 F. Issuer. The term "issuer" means the issuer of the  
16 securities in respect of which a proxy is solicited.

17 G. Last fiscal year. The term "last fiscal year" means the  
18 last fiscal year of the issuer ending prior to the date of the  
19 meeting for which proxies are to be solicited.

20 H. Officer. The term "officer" means the president,  
21 secretary, treasurer, any vice president in charge of a  
22 principal business function such as sales, administration or  
23 finance and any other person who performs similar policy-making  
24 functions for the insurer.

25 I. Parent. A "parent" of a specified person is an affiliate  
26 controlling the person directly, or indirectly through one or  
27 more intermediaries.

28 J. Person. The term "person" means an individual,  
29 corporation, partnership, association, joint stock company,  
30 trust, unincorporated organization, or government or political  
31 subdivision thereof. As used in this paragraph, the term  
32 "trust" includes only a trust where the interest or interests of  
33 the beneficiary or beneficiaries are evidenced by a security.

34 K. Proxy statement. The term "proxy statement" means the  
35 statement required by 4 MCAR S 1.9258, whether or not contained  
36 in a single document.

1 L. Solicitation. The terms "solicit" and "solicitation"  
2 include:

3 1. any request for a proxy, whether or not accompanied by  
4 or included in a form of proxy;

5 2. any request to execute, not to execute or revoke a  
6 proxy; or

7 3. the furnishing of a form of proxy or other  
8 communication to security holders under circumstances reasonably  
9 calculated to result in the procurement, withholding or  
10 revocation of a proxy. The terms do not apply to the furnishing  
11 of a form of proxy to a security holder upon the unsolicited  
12 request of the security holder, the performance by the issuer of  
13 acts required by 4 MCAR S 1.9262, or the performance by any  
14 person of ministerial acts on behalf of a person soliciting a  
15 proxy.

16 4 MCAR S 1.9257 Solicitations to which rules apply. Rule 4 MCAR  
17 S 1.9264 applies to every solicitation that is subject to 4 MCAR  
18 S 1.9255. Rules 4 MCAR SS 1.9256-1.9263 and 1.9265 apply to  
19 every solicitation that is subject to 4 MCAR S 1.9255 except the  
20 following:

21 A. any solicitation made otherwise than on behalf of the  
22 issuer where the total number of persons solicited is not more  
23 than ten;

24 B. any solicitation by a person in respect of securities  
25 carried in his name or in the name of his nominee, otherwise  
26 than as voting trustee, or held in his custody, if the person:

27 1. receives no commission or remuneration for the  
28 solicitation, directly or indirectly, other than reimbursement  
29 of reasonable expenses;

30 2. furnishes promptly to the person solicited a copy of  
31 all soliciting material with respect to the same subject matter  
32 or meeting received from all persons who shall furnish copies  
33 thereof for this purpose and who shall, if requested, defray the  
34 reasonable expenses to be incurred in forwarding the material;  
35 and

36 3. does no more than impartially instruct the person

1 solicited to forward a proxy to the person, if any, to whom the  
2 person solicited desires to give a proxy, or impartially request  
3 from the person solicited instructions as to the authority to be  
4 conferred by the proxy and state that a proxy will be given if  
5 no instructions are received by a certain date;

6 C. any solicitation by a person in respect of securities of  
7 which it is the beneficial owner; or

8 D. any solicitation through the medium of a newspaper  
9 advertisement which informs security holders of a source from  
10 which they may obtain copies of a proxy statement, form of proxy  
11 and any other soliciting material and does no more than name the  
12 issuer, state the reason for the advertisement, and identify the  
13 proposal or proposals to be acted upon by security holders; ~~or~~

14 ~~E. any solicitation which the commissioner finds for good~~  
15 ~~cause should be exempted from this rule or any part thereof.~~

16 4 MCAR S 1.9258 Information to be furnished to security holders.

17 A. Proxy statement. No solicitation subject to 4 MCAR SS  
18 1.9255-1.9269 shall be made unless each person solicited is  
19 concurrently furnished or has previously been furnished with a  
20 written proxy statement containing the information specified in  
21 4 MCAR S 1.9267 (Schedule A).

22 B. Annual report. If the solicitation is made on behalf of  
23 the issuer and relates to an annual meeting of security holders  
24 at which directors are to be elected, each proxy statement  
25 furnished pursuant to A. shall be accompanied or preceded by an  
26 annual report to security holders. The report shall comply with  
27 the requirements of 1.-7.

28 1. The report shall contain in comparative columnar form  
29 such financial statements for the last two fiscal years,  
30 prepared on a consistent basis, as will in the opinion of the  
31 management adequately reflect the financial position of the  
32 issuer at the end of each year and the results of its operations  
33 for each year. Consolidated financial statements of the issuer  
34 and its subsidiaries shall be included in the report if they are  
35 necessary to reflect the financial position and results of  
36 operations of the issuer and its subsidiaries, but in that case

1 the individual statements of the issuer may be omitted. The  
2 commissioner shall, upon the request of the issuer, permit the  
3 omission of financial statements for the earlier of the two  
4 fiscal years upon a showing of good cause.

5 2. The financial statements for the last two fiscal years  
6 required by 1. shall be prepared in a manner acceptable to the  
7 commissioner.

8 3. The report shall include in comparative columnar form  
9 a summary of issuer's operations or the operations of the issuer  
10 and its subsidiaries consolidated, or both as appropriate, for  
11 each of the last five fiscal years of the issuer, or the life of  
12 the issuer and its predecessors if less.

13 4. The report shall contain a brief description of the  
14 business or businesses done by the issuer and its subsidiaries  
15 during the most recent fiscal year which will, in the opinion of  
16 management, indicate the general nature and scope of the  
17 business of the issuer and its subsidiaries.

18 5. The report shall identify each of the issuer's  
19 directors and officers and shall indicate the principal  
20 occupation or employment of each of them and the name and  
21 principal business of any organization by which they are  
22 employed.

23 6. The report shall identify the principal market in  
24 which securities of any class entitled to vote at the meeting  
25 are traded, stating the range of bid and asked quotations for  
26 each quarterly period during the issuer's two most recent fiscal  
27 years, and shall set forth each dividend paid during the two-  
28 year period.

29 7. Subject to the requirements of 1.-6., the report may  
30 be in any form deemed suitable by management and the information  
31 required by 3.-6. may be presented in an appendix or other  
32 separate section of the report if the attention of security  
33 holders is called to this presentation. The requirement of B.  
34 shall not apply to solicitations made on behalf of the  
35 management before the financial statements are available if  
36 solicitation is being made at the time in opposition to the

1 management and if the management's proxy statement includes an  
2 undertaking in bold face type to furnish the annual report to  
3 all persons being solicited at least 20 days before the date of  
4 the meeting.

5 C. Information to commissioner. Two copies of the report  
6 sent to the security holders pursuant to 4 MCAR SS 1.9255-1.9269  
7 shall be mailed to the commissioner solely for his information  
8 not later than the date on which the report is first sent or  
9 given to security holders or the date on which preliminary  
10 copies of solicitation material are filed with the commissioner  
11 pursuant to 4 MCAR S 1.9261, whichever date is later.

12 D. Information to beneficial owners. If the issuer knows  
13 that securities of any class entitled to vote at a meeting with  
14 respect to which the issuer intends to solicit proxies, consents  
15 or authorizations are held of record by a broker, dealer, bank  
16 or voting trustee, or their nominees, the issuer shall require  
17 inquire of the record holder at least ten days prior to the  
18 record date for the meeting of security holders whether other  
19 persons are the beneficial owners of the securities and, if so,  
20 the number of copies of the proxy and other soliciting material  
21 and, in the case of an annual meeting at which directors are to  
22 be elected, the number of copies of the annual report to  
23 security holders, necessary to supply the material to beneficial  
24 owners. The issuer shall supply the record holder in a timely  
25 manner with additional copies in the quantities, assembled in  
26 the form and at the place, the record holder reasonably requests  
27 in order to address and send one copy of each to each beneficial  
28 owner of securities so held. The issuer shall pay, upon the  
29 request of the record holder, its reasonable expenses for  
30 mailing the material to security holders to whom the material is  
31 sent.

32 4 MCAR S 1.9259 Proxy requirements.

33 A. Form. The form of proxy shall:

34 1. Indicate in boldface type whether or not the proxy is  
35 solicited on behalf of the issuer's board of directors and not  
36 by whom it is issued;

1           2. Provide a specifically designated blank space for  
2 dating the proxy; and

3           3. Identify clearly and impartially each matter or group  
4 of related matters intended to be acted upon, whether proposed  
5 by the issuers or security holders. No reference need be made  
6 to proposals as to which discretionary authority is conferred  
7 pursuant to C.

8           B. Ballots. Means shall be provided in the proxy for the  
9 person solicited to specify by ballot a choice between approval  
10 or disapproval of, or abstention with respect to, each matter or  
11 group of related matters referred to in it, other than elections  
12 to office. A proxy may confer discretionary authority with  
13 respect to matters as to which a choice is not specified if the  
14 form of proxy states in boldface type how it is intended to vote  
15 the shares represented by the proxy in each case.

16           C. Authority to vote in elections. A form of proxy which  
17 provides both for election of directors and for action on other  
18 specified matters shall be prepared so as clearly to provide, by  
19 a box or otherwise, means by which the security holder may  
20 withhold authority to vote for election as a director. Any form  
21 of proxy which is executed by the security holder in this manner  
22 so as not to withhold authority to vote for elections of all  
23 nominees shall be deemed to grant this authority for all  
24 nominees for which a vote is not withheld, if the form of proxy  
25 states this in boldface type.

26           D. Discretionary authority conferred. A proxy may confer  
27 discretionary authority with respect to any of the following  
28 matters:

29           1. matters to be presented at the meeting but not known  
30 by the person making the solicitation within a reasonable time  
31 before the solicitation if a specific statement to that effect  
32 is made in the proxy statement or form of proxy;

33           2. approval of the minutes of the prior meeting if  
34 approval does not amount to ratification of the action taken at  
35 that meeting;

36           3. the election of any person to any office for which a



1 bona fide nominee is named in the proxy statement and the  
2 nominee is unable to serve or for good cause will not serve;

3 4. any proposal omitted from the proxy statement and form  
4 of proxy pursuant to 4 MCAR SS 1.9263 C. or 1.9264; or

5 5. matters incident to the conduct of the meeting.

6 E. Authority not conferred. No proxy shall confer authority  
7 to vote for the election of any person to any office for which a  
8 bona fide nominee is not named in the proxy statement, or to  
9 vote at any annual meeting, other than the next annual meeting  
10 or any adjournment thereof, to be held after the date on which  
11 the proxy statement and form of proxy are first sent or given to  
12 security holders. A person is not a bona fide nominee unless he  
13 has consented to being named in the proxy statement and to serve  
14 if elected.

15 F. Voting. The proxy statement or form of proxy shall  
16 provide, subject to reasonable specified conditions, that the  
17 securities represented by the proxy will be voted and that where  
18 the person solicited specifies by means of ballot provided  
19 pursuant to B. and C. a choice with respect to any matter to be  
20 acted upon, the securities will be voted in accordance with the  
21 specifications.

22 4 MCAR S 1.9260 Presentation of information in proxy statement.

23 A. Organization. The information included in the proxy  
24 statement shall be clearly presented and divided into groups  
25 according to subject matter. The various groups of information  
26 shall be preceded by appropriate headings.

27 B. Disclosure of deadline for inclusion of proposal in proxy  
28 statement. All proxy statements shall disclose, under an  
29 appropriate caption, the date by which proposals of security  
30 holders intended to be presented at the next annual meeting must  
31 be received by the issuer for inclusion in the issuer's proxy  
32 statement and form of proxy relating to that meeting. The date  
33 shall be calculated in accordance with the provisions of 4 MCAR  
34 S 1.9263 A. If the date of the next annual meeting is  
35 subsequently advanced by more than 30 calendar days or delayed  
36 by more than 90 calendar days from the date of the annual

1 meeting to which the proxy statement relates, the issuer shall,  
2 in a timely manner, notify security holders of the change, and  
3 the date by which proposals of security holders must be received.

4 4 MCAR S 1.9261 Material required to be filed.

5 A. Preliminary soliciting material. Two preliminary copies  
6 of the information statement or the proxy statement, form of  
7 proxy, and any other soliciting material to be furnished to  
8 security holders concurrently with it, or the information  
9 statement pursuant to 4 MCAR S 1.9269, shall be filed with the  
10 commissioner at least ten days prior to the date definitive  
11 copies of the material are first sent or given to security  
12 holders, or a shorter period prior to that date the commissioner  
13 authorizes upon a showing of good cause.

14 B. Additional preliminary soliciting material. Two  
15 preliminary copies of any additional soliciting material  
16 relating to the same meeting or subject matter to be furnished  
17 to security holders subsequent to the proxy statement shall be  
18 filed with the commissioner at least two days, exclusive of  
19 Saturdays, Sundays and holidays, prior to the date copies of  
20 this material are first sent or given to security holders, or a  
21 shorter period prior to that date the commissioner authorizes  
22 upon a showing of good cause.

23 C. Soliciting material. Two definitive copies of the  
24 information statement or the proxy statement, form of proxy, and  
25 all other soliciting material, in the form in which the material  
26 is furnished to security holders, shall be filed with or mailed  
27 for filing to the commissioner not later than the date the  
28 material is first sent or given to any security holders.

29 D. Revised material. Where the proxy statement, form of  
30 proxy, or other material filed pursuant to this rule is amended  
31 or revised, one of the copies of the amended or revised material  
32 filed pursuant to this rule shall be marked to indicate clearly  
33 and precisely the changes made.

34 E. Information that need not be filed. Copies of replies to  
35 inquiries from security holders requesting further information  
36 and copies of communications which do no more than request that

1 forms ~~or~~ of proxy previously solicited be signed and returned  
2 need not be filed pursuant to 4 MCAR SS 1.9255-1.9269.

3 F. Discretionary filings. Notwithstanding the provisions of  
4 A., B. and 4 MCAR S 1.9266 E., preliminary copies of soliciting  
5 material in the form of speeches, press releases, and radio or  
6 television scripts may be filed with the commissioner prior to  
7 use or publication. Definitive copies, however, shall be filed  
8 with or mailed for filing to the commissioner as required by C.  
9 not later than the date the material is used or published. The  
10 provisions of A., B. and 4 MCAR S 1.9266 E. apply to any  
11 reprints or reproductions of all or any part of this material.

12 4 MCAR S 1.9262 Mailing communications for security holders.

13 A. Duties of issuer. If the management of the issuer has  
14 made or intends to make any solicitation subject to this rule,  
15 the issuer shall perform any of the acts in B. and C. requested  
16 in writing with respect to the same subject matter or meeting by  
17 any security holder who is entitled to vote at least one percent  
18 of the votes entitled to be voted on the matter and who defrays  
19 the reasonable expenses incurred by the issuer in the  
20 performance of the act or acts requested.

21 B. Information required. The issuer shall mail or otherwise  
22 furnish to the security holder, as promptly as practicable after  
23 the receipt of the request:

24 1. a statement of the approximate number of record owners  
25 and, to the extent known to the issuer, the approximate number  
26 of beneficial owners of any class of securities, any of whom  
27 have been or are to be solicited on behalf of the management, or  
28 any group of whom the security holder shall designate; and

29 2. an estimate of the cost of mailing a specified proxy  
30 statement, form of proxy or other communication to the owners.

31 C. Material furnished by security holder.

32 1. Copies of any proxy statement, form of proxy and other  
33 communication furnished by the security holder shall be mailed  
34 by the issuer to the security owners specified in B.1. the  
35 security holder designates.

36 2. The material furnished by the security holder shall be

1 mailed with reasonable promptness after receipt of the material  
2 to be mailed, the envelopes or other containers therefor, and  
3 postage or payment for postage. The issuer need not mail any  
4 material prior to the first day on which solicitation is made on  
5 behalf of the issuer.

6 3. The issuer shall not be responsible for the proxy  
7 statement, form of proxy or other communication.

8 D. Alternative compliance. In lieu of performing the acts  
9 specified in B. and C., the issuer may furnish promptly to the  
10 security holder a reasonably current list of the names and  
11 addresses of any of the record owners and, to the extent known  
12 to the issuer, the beneficial owners the security holder  
13 designates along with a schedule of the handling and mailing  
14 costs if the schedule has been supplied to the issuer.

15 4 MCAR S 1.9263 Proposals of security holders.

16 A. Inclusion in proxy statement and form of proxy. If any  
17 holder of the securities of an issuer, hereafter referred to as  
18 the "proponent," notifies the issuer in writing not less than 90  
19 days before the issuer's annual meeting of his intention to  
20 present a lawful proposal for action at a forthcoming meeting of  
21 the issuer's security holders and at the time of the notice the  
22 proponent is entitled to vote at least one percent of the votes  
23 entitled to be voted on the proposal, the issuer shall set forth  
24 the proposal in its proxy statement and identify it in its form  
25 of proxy and provide for the specification of approval or  
26 disapproval of the proposal. The proxy statement shall also  
27 include the name and address of the proponent.

28 B. Statement of support. If the issuer opposes any proposal  
29 received from a proponent, it shall, at the request of the  
30 proponent, include in its proxy statement a statement of the  
31 proponent of not more than 200 words in support of the proposal.

32 C. Omissions. The issuer may omit a proposal and any  
33 statement in support of it from its proxy statement and form of  
34 proxy under any of the following circumstances:

35 1. the proponent has submitted more than one proposal in  
36 connection with a particular meeting;

- 1           2. the proposal is more than 300 words in length;
- 2           3. the proposal or the supporting statement is contrary
- 3 to any provision of this rule or the schedules hereto, including
- 4 4 MCAR S 1.9264 which prohibits false or misleading statements
- 5 in proxy soliciting materials;
- 6           4. the proposal relates to the enforcement of a personal
- 7 claim or the redress of a personal grievance against the issuer,
- 8 its management, or any other person;
- 9           5. the proposal deals with a matter not significantly
- 10 related to the issuer's business, a matter beyond the issuer's
- 11 power to effectuate, a matter relating to the conduct of the
- 12 ordinary business operations of the issuer, or an election to
- 13 office;
- 14           6. the proposal is counter to a proposal to be submitted
- 15 by the issuer at the meeting, the proposal has been rendered
- 16 moot, or the proposal relates to specific amounts of cash or
- 17 stock dividends;
- 18           7. the proposal is substantially duplicative of a
- 19 proposal previously submitted to the issuer by another
- 20 proponent, which proposal will be included in the management's
- 21 proxy material for the meeting; or
- 22           8. substantially the same proposal has previously been
- 23 submitted to security holders in the issuer's proxy statement
- 24 and form of proxy relating to any annual or special meeting of
- 25 security holders held within the preceding five calendar years
- 26 and received less than five percent of the total number of votes
- 27 cast in respect thereof at the time of its most recent
- 28 submission.
- 29       D. Notice of omission. If the issuer intends to omit any
- 30 proposal from its proxy statement or forms of proxy, it shall
- 31 notify the proponent in writing of its intention at least ten
- 32 days before the issuer's preliminary proxy material is filed
- 33 pursuant to 4 MCAR S 1.9261 A.

34 4 MCAR S 1.9264 False or misleading statements. No proxy  
35 statement, form of proxy, notice of meeting, information  
36 statement, or other communication, written or oral, subject to 4

1 MCAR SS 1.9255-1.9269 shall contain any statement which, at the  
2 time and in the light of the circumstances under which it is  
3 made, is false or misleading with respect to any material fact,  
4 or which omits to state any material fact necessary in order to  
5 make the statements in it not false or misleading or necessary  
6 to correct any statement in any earlier communication with  
7 respect to the same meeting or subject matter which has become  
8 false or misleading.

9 4 MCAR S 1.9265 Prohibition of certain solicitations. No person  
10 making a solicitation which is subject to this rule shall  
11 solicit any undated or postdated proxy or any proxy which  
12 provides that it shall be deemed to be dated as of any date  
13 subsequent to the date on which it is signed by the security  
14 holder.

15 4 MCAR S 1.9266 Special provisions applicable to election  
16 contests.

17 A. Applicability. This rule applies to any solicitation  
18 subject to 4 MCAR SS 1.9255-1.9269 by any person or group for  
19 the purpose of opposing a solicitation subject to 4 MCAR SS  
20 1.9255-1.9269 by any other person or group with respect to the  
21 election or removal of directors at any annual or special  
22 meeting of security holders.

23 B. Participant or participant in a solicitation.

24 1. For purposes of this rule the terms "participant" and  
25 "participant in a solicitation" include the issuer; any director  
26 of the issuer, and any nominee for whose election as a director  
27 proxies are solicited; or any other person, acting alone, or  
28 with one or more other persons, committees, or groups, in  
29 organizing, directing or financing the solicitation.

30 2. For the purpose of this rule the terms "participant"  
31 and "participant in a solicitation" do not include a bank,  
32 broker or dealer who, in the ordinary course of business, lends  
33 money or executes orders for the purchase or sale of securities  
34 and who is not otherwise a participant; any person or  
35 organization retained or employed by a participant to solicit

1 security holders, or any person who merely transmits proxy  
2 soliciting material or performs ministerial or clerical duties;  
3 any person employed in the capacity of attorney, accountant, or  
4 advertising, public relations or financial advisor, and whose  
5 activities are limited to the performance of his duties in the  
6 course of that employment; any person regularly employed as an  
7 officer or employee of the issuer, or any of its subsidiaries or  
8 affiliates who is not otherwise a participant; or any officer or  
9 director of, or any person regularly employed by, any other  
10 participant, if the officer, director, or employee is not  
11 otherwise a participant.

12 C. Filing of information required by Schedule B.

13 1. No solicitation subject to this rule shall be made by  
14 any person other than the issuer unless at least five business  
15 days prior to it, or any shorter period the commissioner  
16 authorizes upon a showing of good cause, there has been filed  
17 with the commissioner, by or on behalf of each participant in  
18 the solicitation, a statement in duplicate containing the  
19 information specified in 4 MCAR S 1.9268 (Schedule B) and a copy  
20 of any material proposed to be distributed to security holders  
21 in furtherance of the solicitation.

22 2. Within five business days after a solicitation subject  
23 to this rule is made by the issuer, or any longer period the  
24 commissioner authorizes upon a showing of good cause, there  
25 shall be filed with the commissioner by or on behalf of each  
26 participant in the solicitation, other than the issuer, a  
27 statement in duplicate containing the information specified in 4  
28 MCAR S 1.9268.

29 3. If any solicitation on behalf of the issuer or any  
30 other person has been made, or if proxy material is ready for  
31 distribution, prior to a solicitation subject to C. in  
32 opposition to it, a statement in duplicate containing the  
33 information specified in 4 MCAR S 1.9268 shall be filed with the  
34 commissioner by or on behalf of each participant in the prior  
35 solicitation, other than the issuer, as soon as reasonably  
36 practicable after the commencement of the solicitation in

1 opposition to it.

2 4. If, subsequent to the filing of the statements  
3 required by 1.-3., additional persons become participants in a  
4 solicitation subject to this rule, there shall be filed with the  
5 commissioner, by or on behalf of each person, a statement in  
6 duplicate containing the information specified in 4 MCAR S  
7 1.9268, within three business days after the person becomes a  
8 participant, or any longer period the commissioner authorizes  
9 upon a showing of good cause.

10 5. If any material change occurs in the facts reported in  
11 any statement filed by or on behalf of any participant, an  
12 appropriate amendment to the statement shall be filed promptly  
13 with the commissioner.

14 6. Each statement and amendment to it filed pursuant to  
15 C. shall be part of the public files of the commissioner.

16 D. Solicitations prior to furnishing required written proxy  
17 statement. Notwithstanding the provisions of 4 MCAR S 1.9258  
18 A., a solicitation subject to this rule may be made prior to  
19 furnishing security holders a written proxy statement containing  
20 the information specified in 4 MCAR S 1.9267 (Schedule A) with  
21 respect to the solicitation if:

22 1. the statements required by E. are filed by or on  
23 behalf of each participant in the solicitation;

24 2. no form of proxy is furnished to security holders  
25 prior to the time the written proxy statement required by 4 MCAR  
26 S 1.9258 A. is furnished to those persons. This paragraph does  
27 not apply where a proxy statement then meeting the requirements  
28 of 4 MCAR S 1.9267 (Schedule A) has been furnished to security  
29 holders;

30 3. at least the information specified in C.2. and 3. of  
31 the statements required by C. to be filed by each participant,  
32 or an appropriate summary thereof, is included in each  
33 communication sent or given to security holders in connection  
34 with the solicitation;

35 4. a written proxy statement containing the information  
36 specified in 4 MCAR S 1.9267 (Schedule A) with respect to a



1 solicitation is sent or given security holders at the earliest  
2 practicable date.

3 E. Filing requirements of solicitations prior to furnishing  
4 required written proxy statement. Two copies of any soliciting  
5 material proposed to be sent or given to security holders prior  
6 to the furnishing of the written proxy statement required by 4  
7 MCAR S 1.9258 A. shall be filed with the commissioner in  
8 preliminary form at least five business days prior to the date  
9 definitive copies of the material are first sent or given to  
10 these persons, or any shorter period the commissioner authorizes  
11 upon a showing of good cause.

12 F. Application of E. to annual report. Notwithstanding the  
13 provisions of 4 MCAR S 1.9258 B., two copies of any portion of  
14 the annual report referred to in 4 MCAR S 1.9258 B. which  
15 comments upon or refers to any solicitation subject to this  
16 rule, or to any participant in any such solicitation, other than  
17 the solicitation by the management, shall be filed with the  
18 commissioner as proxy material subject to 4 MCAR SS  
19 1.9255-1.9269. This portion of the report shall be filed with  
20 the commissioner in preliminary form at least five business days  
21 prior to the date copies of the report are first sent or given  
22 to security holders.

23 4 MCAR S 1.9267 Schedule A; information required in proxy  
24 statement.

25 A. Requirement. The proxy statement shall contain the  
26 information required by B.-V.

27 B. Revocability of proxy. State whether or not the person  
28 giving the proxy has the power to revoke it. If the right of  
29 revocation before the proxy is exercised is limited or is  
30 subject to compliance with any formal procedure, briefly  
31 describe the limitation or procedure.

32 C. Dissenters' right of appraisal. Outline briefly any  
33 rights of appraisal or similar rights of dissenting security  
34 holders with respect to any matter to be acted upon and indicate  
35 any statutory procedure required to be followed by dissenting  
36 security holders in order to perfect these rights. Where these

1 rights may be exercised only within a limited time after the  
2 date of the adoption of a proposal, the filing of a charter  
3 amendment, or other similar act, state whether the person  
4 solicited will be notified of the date.

5 D. Persons making solicitations.

6 1. Paragraphs a.-b. apply to solicitations not subject to  
7 4 MCAR S 1.9266.

8 a. If the solicitation is made by the issuer, so  
9 state. Give the name of any director of the issuer who has  
10 informed the issuer in writing that he intends to oppose any  
11 action intended to be taken by the issuer and indicate the  
12 action which he intends to oppose.

13 b. If the solicitation is made otherwise than by the  
14 issuer, so state and give the names of the persons by whom and  
15 on whose behalf it is made.

16 c. If the solicitation is to be made otherwise than by  
17 use of the mails, describe the methods to be employed. If the  
18 solicitation is to be made by specially engaged employees or  
19 paid solicitors, state the material features of any contract or  
20 arrangement for the solicitation and identify the parties, and  
21 the cost or anticipated cost of it.

22 d. State the name of the persons by whom the cost of  
23 solicitation has been or will be borne, directly or indirectly.

24 2. Paragraphs a.-f. apply to solicitations subject to 4  
25 MCAR S 1.9266.

26 a. State by whom the solicitation is made and describe  
27 the methods employed and to be employed to solicit security  
28 holders.

29 b. If regular employees of the issuer or any other  
30 participant in a solicitation have been or are to be employed to  
31 solicit security holders, describe the class or classes of  
32 employees to be so employed and the manner and nature of their  
33 employment for this purpose.

34 c. If specially engaged employees, representatives or  
35 other persons have been or are to be employed to solicit  
36 security holders, state the material features of any contract or

1 arrangement for the solicitation and identify the parties, the  
2 cost or anticipated cost of it, and the approximate number of  
3 the employees or employees of any other person and the name of  
4 the other person who will solicit security holders.

5 d. State the total amount estimated to be spent and  
6 the total expenditures to date for or in connection with the  
7 solicitation of security holders.

8 e. State who will bear the cost of the solicitation.  
9 If reimbursement will be sought from the issuer, state whether  
10 the question of the reimbursement will be submitted to a vote of  
11 security holders.

12 f. If the solicitation is terminated pursuant to a  
13 settlement between the issuer and any other participant in the  
14 solicitation, describe the terms of the settlement, including  
15 the cost or anticipated cost of it to the issuer.

16 E. Interest of certain persons in matters to be acted upon.

17 1. For solicitations not subject to 4 MCAR S 1.9266,  
18 describe briefly any substantial interest, either direct or  
19 indirect, of each of the following persons, in any matter to be  
20 acted upon other than elections to office:

21 a. if the solicitation is made on behalf of the  
22 issuer, each current director or officer of the issuer;

23 b. if the solicitation is not made on behalf of the  
24 issuer, any person who would be a participant in a solicitation,  
25 except the issuer, or an officer, director, or nominee of the  
26 issuer;

27 c. each nominee for election as a director of the  
28 issuer; and

29 d. each associate of the foregoing persons.

30 2. For solicitations subject to 4 MCAR S 1.9266, describe  
31 briefly any substantial interest, either direct or indirect, of  
32 each participant, except the issuer in any matter to be acted  
33 upon at the meeting, and include with respect to each  
34 participant the information or an adequate summary thereof,  
35 required by 4 MCAR S 1.9268 C.1., C.4., D., E.2., and E.3.

36 F. Voting securities and principal holders of them.

1 1. State, as to each class of voting securities of the  
2 insurer entitled to be voted at the meeting, the number of  
3 shares outstanding and the number of votes to which each class  
4 is entitled.

5 2. Give the date as of which the record list of security  
6 holders entitled to vote at the meeting will be determined. If  
7 the right to vote is not limited to security holders of record  
8 on that date, indicate the conditions under which other security  
9 holders may be entitled to vote.

10 3. If action is to be taken with respect to the election  
11 of directors and if the persons solicited have cumulative voting  
12 rights:

- 13 a. make a statement that they have these rights;
- 14 b. describe the rights;
- 15 c. state the conditions precedent to the exercise of
- 16 them and;
- 17 d. if discretionary authority to cumulate votes is
- 18 solicited, so indicate.

19 4. Furnish the following information as of the most  
20 recent practicable date, in substantially the tabular form  
21 indicated, with respect to any person or group of persons who is  
22 known to be the beneficial owner of more than five percent of  
23 any class of securities; and all directors and nominees, naming  
24 them, and directors and officers of the issuer as a group,  
25 without naming them:

26 1	2	3	4
27 Title of	Name of	Amount and	Percent of
28 Class	Beneficial	Nature of	Class
	Owner	Beneficial	
		Ownership	

31 5. If, to the knowledge of the persons on whose behalf  
32 the solicitation is made, a change in control of the issuer has  
33 occurred since the beginning of its last fiscal year, state the  
34 following: the name of the person who acquired control; the  
35 amount and the source of the consideration used by the person;  
36 the basis of the control; the date and a description of the

1 transaction which resulted in the change of control and the  
2 percentage of voting securities of the issuer now beneficially  
3 owned directly or indirectly by the person who acquired control;  
4 and the identity of the person from whom control was assumed.  
5 Describe any arrangements which may at a subsequent date result  
6 in a change of control of the issuer.

7 G. Directors and executive officers. If action is to be  
8 taken with respect to the election of directors, furnish the  
9 information required by 1.-11., in tabular form to the extent  
10 practicable, with respect to each person nominated for election  
11 as a director and each other person whose term of office as a  
12 director will continue after the meeting. If the solicitation  
13 is made on behalf of persons other than the issuer, the  
14 information required need be furnished only as to nominees of  
15 the persons making the ~~solicitations~~ solicitation.

16 1. List the names and ages of all directors and officers  
17 of the issuer and all persons nominated or chosen to become  
18 directors or officers; indicate all positions and offices with  
19 the issuer held by each person; state his term of office as  
20 director or officer and any period during which he has served as  
21 officer or director; briefly describe any arrangement or  
22 understanding between him and any other person pursuant to which  
23 he was or is to be selected as a director, officer, or nominee,  
24 and name this person.

25 The information regarding officers need not be furnished  
26 in proxy or information statements if the information is  
27 furnished in a separate item in the issuer's annual report to  
28 stockholders.

29 2. State the nature of any family relationship not more  
30 remote than first cousin between any director, officer, or  
31 person nominated or chosen by the issuer to become a director or  
32 officer and also any similar family relationship between the  
33 person and any officer or director of any of the issuer's  
34 parents, subsidiaries or other affiliates.

35 3. State the principal occupations and employment during  
36 the past five years of each director and each person nominated

1 or chosen to become a director or officer and the name and  
2 principal business of any corporation or other organization in  
3 which the occupations and employment were carried on.

4 4. Indicate other directorships held by each director or  
5 person nominated or chosen to become a director.

6 5. Describe any legal proceedings which have occurred  
7 during the past five years or which are pending which are  
8 material to an evaluation of the ability or integrity of any  
9 director or person nominated to become a director or officer of  
10 the issuer.

11 6. Describe any of the following relationships which  
12 exist:

13 a. if the nominee or director is, or has within the  
14 last two full fiscal years been, an officer, director or  
15 employee of, or owns, or has within the last two full fiscal  
16 years owned, directly or indirectly, in excess of a one percent  
17 equity interest in any firm, corporation or other business or  
18 professional entity:

19 (1) which has made payments to the issuer or its  
20 subsidiaries during the issuer's last full fiscal year or which  
21 proposes to make payments to the issuer or its subsidiaries  
22 during the current fiscal year in excess of one percent of the  
23 issuer's consolidated gross revenues for its last full fiscal  
24 year;

25 (2) to which the issuer or its subsidiaries were  
26 indebted at any time during the issuer's last fiscal year in an  
27 aggregate amount in excess of one percent of the issuer's total  
28 consolidated assets at the end of the fiscal year;

29 (3) to which the issuer or its subsidiaries have  
30 made payments during the entity's last fiscal year or to which  
31 the issuer or its subsidiaries propose to make payments during  
32 the entity's current fiscal year in excess of one percent of the  
33 entity's consolidated gross revenues for its last full fiscal  
34 year;

35 (4) in order to determine whether payments made or  
36 proposed to be made exceed one percent of the consolidated gross

1 revenues of any entity other than the issuer for the entity's  
2 last full fiscal year, it is appropriate to rely on information  
3 provided by the nominee or director;

4 (5) in calculating payments for property and  
5 services the following may be excluded:

6 (a) payments where the rates or charges involved  
7 in the transaction are determined by competitive bids, or the  
8 transaction involves the rendering of services as a public  
9 utility at rates or charges fixed in conformity with law or  
10 governmental authority;

11 (b) payments which arise solely from the  
12 ownership of securities of the issuer and no extra or special  
13 benefit not shared on a pro rata basis by all holders of the  
14 class of securities is received;

15 (6) in calculating indebtedness for purposes of (2),  
16 debt securities which have been publicly offered, admitted to  
17 trading on a national securities exchange, or quoted on the  
18 automated quotation system of a registered securities  
19 association may be excluded;

20 b. the nominee or director is a member or employee of,  
21 or is associated with, a law firm which the issuer has retained  
22 in the last two full fiscal years or proposes to retain in the  
23 current fiscal year where fees paid or anticipated to be paid by  
24 the issuer are material to either the law firm, the issuer, or  
25 both;

26 c. the nominee or director is a director, partner,  
27 officer or employee of any investment banking firm which has  
28 performed services for the issuer other than as a participating  
29 underwriter in a syndicate in the last two full fiscal years or  
30 which the issuer proposes to have perform services in the  
31 current year; or

32 d. the nominee or director is a control person of the  
33 issuer, other than solely as a director of the issuer.

34 7. State whether or not the issuer has standing audit,  
35 nominating, and compensation committees of the board of  
36 directors, or committees performing similar functions. If the

1 issuer has the committees, however designated, identify each  
2 committee member, state the number of committee meetings held by  
3 each committee during the last fiscal year and describe briefly  
4 the functions performed by the committees. If the issuer has a  
5 nominating or similar committee, state whether the committee  
6 will consider nominees recommended by shareholders and describe  
7 the procedures to be followed by shareholders in submitting  
8 these recommendations.

9       8. State the total number of meetings of the board of  
10 directors, including regularly scheduled and special meetings,  
11 which were held during the last full fiscal year. Name each  
12 incumbent director who during the last full fiscal year attended  
13 fewer than 75 percent of the aggregate of the total number of  
14 meetings of the board of directors held during the period for  
15 which he has been a director, and the total number of meetings  
16 held by all committees of the board on which he served during  
17 the periods that he served.

18       9. If a director has resigned or declined to stand for  
19 reelection to the board of directors since the date of the last  
20 annual meeting of shareholders because of a disagreement with  
21 the issuer on any matter relating to the issuer's operations,  
22 policies or practices, and if the director has furnished the  
23 issuer with a letter describing the disagreement and requesting  
24 that the matter be disclosed, the issuer shall state the date of  
25 resignation or declination to stand for reelection and summarize  
26 the director's description of the disagreement.

27       If the issuer believes that the description provided by the  
28 director is incorrect or incomplete, it may include a brief  
29 statement presenting its views of the disagreement.

30       10. With respect to those classes of voting stock which  
31 participated in the election of directors at the most recent  
32 meeting at which directors were elected:

33           a. state the percentage of shares present at the  
34 meeting and voting or withholding authority to vote in the  
35 election of directors; and

36           b. disclose in tabular format, the percentage of total



1 shares cast for and withheld from the vote for or, where  
2 applicable, cast against, each nominee, which respectively were  
3 voted for and withheld from the vote for, or voted against, the  
4 nominee. When groups of classes or series of classes vote  
5 together in the election of a director or directors, they shall  
6 be treated as a single class for the purpose of the preceding  
7 sentence.

8 11. Instructions.

9 a. Calculate the percentage of shares present at the  
10 meeting and voting or withholding authority to vote in the  
11 election of directors, referred to in 10.a. by dividing the  
12 total shares cast for and withheld from the vote for or, where  
13 applicable, voted against, the director in respect of whom the  
14 highest aggregate number of shares was cast by the total number  
15 of shares outstanding which were eligible to vote as of the  
16 record date for the meeting.

17 b. No information need be given in response to 10.  
18 unless, with respect to any class of voting stock or group of  
19 classes which voted together, five percent or more of the total  
20 shares cast for and withheld from the vote for or, where  
21 applicable, cast against any nominee were withheld from the vote  
22 for or cast against the nominee.

23 c. If an issuer elects less than the entire board of  
24 directors annually, disclosure is required as to all directors  
25 if five percent or more of the total shares cast for and  
26 withheld from the vote for or, where applicable, cast against  
27 any incumbent director were withheld from or cast against the  
28 vote for the director at the meeting at which he was most  
29 recently elected.

30 d. No information need be given in response to 10. if  
31 the issuer has previously furnished to its security holders a  
32 report of the results of the most recent meeting of security  
33 holders at which directors were elected which includes a  
34 description of each matter voted upon at the meeting and a  
35 statement of the percentage of the shares voting which were  
36 voted for and against each matter and the information which

1 would be called for by 10. If an issuer has previously  
2 furnished these results to its security holders, this fact  
3 should be set forth in a letter accompanying the filing of  
4 preliminary proxy materials with the commissioner.

5 H. Remuneration of directors and officers. Furnish the  
6 information required by 1.-7. if action is to be taken with  
7 respect to the election of directors; any bonus, profit sharing  
8 or other remuneration plan, contract or arrangement in which any  
9 director, nominee for election as a director, or officer of the  
10 insurer will participate; any pension or retirement plan in  
11 which any such person will participate; or the granting or  
12 extension to any such person of any options, warrants or rights  
13 to purchase any securities other than warrants or rights issued  
14 to security holders, as such, on a pro rata basis. If the  
15 solicitation is made on behalf of persons other than the issuer,  
16 the information required need be furnished only as to nominees  
17 of the persons making the solicitation and associates of the  
18 nominees.

19 1. Current remuneration. Furnish the information  
20 required in Exhibit 4 MCAR S 1.9267 H.1.b.-1., in substantially  
21 the tabular form specified, concerning all remuneration of the  
22 persons and groups in a. and b. for services in all capacities  
23 to the issuer and its subsidiaries during the issuer's last  
24 fiscal year, or, in specified instances, certain prior fiscal  
25 years.

26 a. Furnish the required information concerning each of  
27 the five most highly compensated officers or directors of the  
28 issuer as to whom the total remuneration required to be  
29 disclosed in Columns C1 and C2 of Exhibit 4 MCAR S 1.9267  
30 H.1.b.-1. would exceed \$50,000, naming each person.

31 b. Furnish the required information concerning all  
32 officers and directors of the issuer as a group, stating the  
33 number of persons in the group without naming them.

34

35

Exhibit 4 MCAR S 1.9267 H.1.b.-1.

36

Current Remuneration

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(A)	(B)	(C)	(D)
Name of individual or number of persons in group	Capacities in which served	Cash and cash equivalent forms of remuneration	Aggregate of contingent forms of remuneration

(C1)	(C2)
Salaries, fees, directors' fees, commissions, and bonuses	Securities or property, insurance benefits, reimbursement, or personal benefits

Columns (C1), (C2) and (D) should contain with respect to each person or group of persons specified in 4 MCAR S 1.9267 H.1.a. and b. a dollar amount which reflects the total of all items of remuneration described in the heading to that column including those items set forth in the subparagraphs of that column.

COLUMN (C)	COLUMN (D)
Include all cash and cash equivalent forms of remuneration received during the fiscal year and all such amounts accrued during the fiscal year which, with reasonable certainty, will be distributed or vested in the future.	Include all contingent forms of remuneration the distribution, vesting, and measurement of which is subject to future events. Report only amounts relating to the latest fiscal year, not amounts accrued in previous periods.
COLUMN (C1)	COLUMN (C2)
Salaries, bonuses, fees, and commissions	Securities, property, insurance benefits or reimbursement, personal benefits (Perquisites)
1. All cash re-	1. Spread between
	1. Amount expensed

<p>1 muneration  2 distributed or  3 accrued in the  4 form of salar-  5 ies, commis-  6 sions, bonuses  7 and fees for  8 services ren-  9 dered.</p> <p>10</p> <p>11 2. Compensation  12 earned for ser-  13 vices performed  14 in the latest  15 fiscal year  16 even if it is  17 deferred for  18 future payment.</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26 3. Payments re-  27 ceived in the  28 latest fiscal  29 year but earned  30 in prior years  31 which were de-  32 ferred until the  33 latest year, if  34 such amounts  35 were not shown  36 in an earlier</p>	<p>the acquisition  price, if any,  and fair market  price of secur-  ities or prop-  erty acquired  under any con-  tract, plan or  arrangement.</p> <p>2. Cost of any life  insurance pre-  miums, health in-  surance premiums  and medical re-  imbursement plans.  Premiums for non-  discriminatory  plans generally  available to all  salaried employ-  ees are excluded.</p> <p>3. Personal bene-  fits (perqui-  sites) not  directly relat-  ed to job per-  formance, ex-  cluding benefits  provided on a  nondiscrimina-  tory basis,  valued on the</p>	<p>for financial  reporting pur-  poses represent-  ing non-vested  contributions,  payments, or ac-  cruals under any  pension or re-  tirement plans,  annuities, em-  ployment con-  tracts, defer-  red compensa-  tion plans  including Inter-  nal Revenue  Service  qualified  plans, unless  the amount for  the individual  cannot be separ-  ated in which  case a footnote  is required in-  dicating the  percentage which  contributions to  the plan bear to  participant's  total remunera-  tion.</p> <p>2. The amount ex-  pensed for  financial re-</p>
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1 proxy statement basis of cost reporting pur-  
2 or annual re- to the issuer poses under  
3 port to stock- of providing any incentive  
4 holders. these benefits. compensation  
5 plans (long-  
6 a. If unreason- term income  
7 able effort plans), such as  
8 or expense stock apprecia-  
9 is required tion rights,  
10 to determine stock options,  
11 the amounts performance  
12 of personal share plans,  
13 benefits, where payout is  
14 they may be based on objec-  
15 omitted if tive standards  
16 their aggre- or stock value.  
17 gate value  
18 does not ex- In subsequent  
19 ceed \$10,000 years, if the  
20 for each of- corporation  
21 ficer. credits com-  
22 pensation ex-  
23 b. If the amount pense for  
24 of personal financial re-  
25 benefits exceeds porting pur-  
26 ten percent of poses as a  
27 the amount of result of a  
28 total remunera- decline in the  
29 tion or \$25,000, value of con-  
30 whichever is tingent com-  
31 less, the pensation,  
32 amount and a Column D may  
33 brief descrip- be reduced by  
34 tion of the a correspond-  
35 benefits must ing amount. A  
36 be disclosed footnote ex-

1 in a footnote. explaining such  
2 action should  
3 4. Vested company be included.  
4 contributions to  
5 thrift, profit 3. The amount ex-  
6 sharing, pension, pended for finan-  
7 stock purchase cial reporting  
8 and similar purposes for any  
9 plans. nonvested  
10 contribution pay-  
11 ment or accrual  
12 to stock purchase  
13 plans, profit  
14 sharing, and  
15 thrift plans  
16 whether or not  
17 they are quali-  
18 fied under the  
19 Internal Revenue  
20 Code.

21 c. The provisions of 1.a. and b. include transactions  
22 between the issuer and a third party when the primary purpose of  
23 the transaction is to furnish remuneration to the persons  
24 specified in that paragraph. Other transactions between the  
25 issuer and third parties in which persons specified in 1.a. and  
26 b. have an interest, or may realize a benefit, generally are  
27 addressed by other disclosure requirements concerning the  
28 interest of management and others in certain transactions.  
29 Paragraph 1. does not require disclosure of remuneration paid to  
30 a partnership in which any officer or director was a partner;  
31 any such transaction should be disclosed pursuant to other  
32 disclosure requirements and not as a note to the remuneration  
33 table presented pursuant to 1.

34 d. The issuer may provide additional disclosure  
35 through a footnote to the table, through additional columns, or  
36 otherwise, describing the components of aggregate remuneration

1 in such greater detail as is appropriate.

2 2. Proposed remuneration.

3 a. Briefly describe all remuneration payments proposed  
4 to be made in the future pursuant to any existing plan or  
5 arrangement to the persons and groups specified in 1. As to  
6 defined benefit or actuarial plans with respect to which amounts  
7 are not included in the table, include a separate table showing  
8 the estimated annual benefits payable upon retirement to persons  
9 in specified remuneration and years-of-service classifications.

10 b. Information need not be furnished with respect to  
11 any group life, health, hospitalization, or medical  
12 reimbursement plans which do not discriminate in favor of  
13 officers or directors of the issuer and which are available  
14 generally to all salaried employees.

15 3. Remuneration of directors. Describe any standard or  
16 special arrangements by which directors of the issuer are  
17 compensated for services as a director. State the amount of  
18 compensation.

19 4. Options, warrants, or rights.

20 a. Furnish the information required by Exhibit 4 MCAR  
21 S 1.9267 H.4.a.-1. as to all options to purchase securities from  
22 the issuer or its subsidiaries which were granted to or  
23 exercised by the persons and groups specified in 1.a. since the  
24 beginning of the issuer's last fiscal year, and as to all  
25 options held by such persons as of the latest practicable date.

26 Exhibit 4 MCAR S 1.9267 H.4.a.-1. shows as to certain  
27 directors and officers and as to all directors and officers as a  
28 group:

29 (1) the amount of options granted since the  
30 beginning of the issuer's last full fiscal year;

31 (2) the amount of shares acquired since that date  
32 through the exercise of options;

33 (3) the amount of shares of the same class sold  
34 during the period; and

35 (4) the amount of shares subject to all unexercised  
36 options held as of the most recent practicable date.

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Exhibit 4 MCAR S 1.9267 H.4.a.-1.

Options to Purchase Securities  
From Issuer or Subsidiaries

Name Name Name All Directors and  
Officers as a Group

Title of securities

Granted - 19-- to  
date:

Number of shares .....  
Average per share  
option price \$.... \$.... \$.... \$....

Exercised - 19--  
to date:

Number of shares .....  
Aggregate option  
price of op-  
tions exer-  
cised \$.... \$.... \$.... \$....

Aggregate market  
value of  
shares on date  
options exer-  
cised \$.... \$.... \$.... \$....

Sales - 19--  
to date:

Number of  
shares .....  
.....

(Sales by directors and officers who exercised options  
during the month, day, and year to the date of the proxy  
material.)

Unexercised at



1 19--:  
 2 Number of shares .....  
 3 Average per  
 4 share option  
 5 price \$.... \$.... \$.... \$....  
 6

7 In addition, during the period employees were granted options  
 8 for .... shares at an average price per share of \$....

9 b. Instructions.

10 (1) All figures in Exhibit 4 MCAR S 1.9267 H.4.a.-1.  
 11 should be adjusted, where applicable, in accordance with the  
 12 terms of the options to reflect stock splits and to give effect  
 13 to share dividends.

14 (2) Other tabular presentations are acceptable if  
 15 they include the necessary data. Tabular presentation ~~may~~ shall  
 16 ~~not be needed if only-a-very-few options have-been granted~~ do  
 17 not exceed five percent of the outstanding shares.

18 (3) (a) Where the total market value on the granting  
 19 dates of the securities called for by all options granted during  
 20 the period specified does not exceed \$10,000 for any officer or  
 21 director named in answer to 1., or \$40,000 for all officers and  
 22 directors as a group, H. need not be answered with respect to  
 23 options granted to the person or group.

24 (b) Where the total market value on the dates of  
 25 purchase of all securities purchased through the exercise of  
 26 options during the period specified does not exceed \$10,000 for  
 27 any person or \$40,000 for a group, H. need not be answered with  
 28 respect to options exercised by the person or group.

29 (c) Where the total market value as of the latest  
 30 practicable date of the securities called for by all options  
 31 held at that time does not exceed \$10,000 for any person or  
 32 \$40,000 for a group, H. need not be answered with respect to  
 33 options held as of the specified date by the person or group.

34 (4) The term "options" as used in 4. includes all  
 35 options, warrants or rights, other than those issued to security  
 36 holders as such on a pro rata basis. Where the average option

1 price per share is called for, the weighted average price per  
2 share shall be given.

3 (5) The extension, regranting or material amendment  
4 of options shall be deemed the granting of options within the  
5 meaning of (4).

6 (6) If the options relate to more than one class of  
7 securities the information shall be given separately for each  
8 class.

9 5. Indebtedness of management.

10 a. State as to each of the following persons who was  
11 indebted to the issuer or its subsidiaries at any time since the  
12 beginning of the last fiscal year of the registrant the largest  
13 aggregate amount of indebtedness outstanding at any time during  
14 that period; the nature of the indebtedness outstanding and the  
15 transaction in which it was incurred; the amount of the  
16 indebtedness outstanding as of the latest practicable date; and  
17 the rate of interest paid or charged on it:

18 (1) each director or officer of the issuer;

19 (2) each nominee for election as a director; and

20 (3) each associate of the director, officer or  
21 nominee.

22 b. The requirements of 5. do not apply to:

23 (1) any person whose aggregate indebtedness did not  
24 exceed \$10,000 or one percent of the issuer's total assets,  
25 whichever is less, at any time during the period specified; or

26 (2) indebtedness under an insurance policy.

27 6. Transactions with management.

28 a. Describe briefly any transaction since the  
29 beginning of the issuer's last fiscal year or any presently  
30 proposed transactions, to which the issuer or any of its  
31 subsidiaries was or is to be a party, in which any of the  
32 following persons had or is to have a direct or indirect  
33 material interest, naming the person and stating his  
34 relationship to the issuer, the nature of his interest in the  
35 transaction and, where practicable, the amount of the interest:

36 (1) any director or officer of the issuer;

1 (2) any nominee for election as a director;

2 (3) any security holder who is known to the issuer  
3 to own of record or beneficially more than ten percent of any  
4 class of the issuer's voting securities; and

5 (4) any relative or spouse of any of the foregoing  
6 persons, or any relative of the spouse, who has the same home as  
7 the person or who is a director or officer of any parent or  
8 subsidiary of the issuer.

9 b. Describe briefly any material legal proceedings to  
10 which the person is a party adverse to the issuer or any of its  
11 subsidiaries or has a material interest adverse to the issuer or  
12 any of its subsidiaries.

13 c. No information need be given in response to 6. as  
14 to any remuneration or other transaction reported in response to  
15 1.-5., or as to any transaction with respect to which  
16 information may be omitted pursuant to those provisions.

17 d. No information need be given in answer to 6. as to  
18 any transaction where:

19 (1) the rates or charges involved in the transaction  
20 are determined by competitive bids, or at rates or charges fixed  
21 in conformity with law or governmental authority;

22 (2) the transaction involves services as a bank  
23 depository of funds, transfer agent, registrar, trustee under a  
24 trust indenture, or similar services;

25 (3) the amount involved in the transaction or series  
26 of similar transactions, including all periodic installments in  
27 the case of any lease or other agreement providing for periodic  
28 payments or installments, does not exceed \$40,000; or

29 (4) the interest of the specified person arises  
30 solely from the ownership of securities of the issuer and the  
31 specified person receives no extra or special benefit not shared  
32 on a pro rata basis by all holders of securities of the class.

33 e. It should be noted that H. calls for disclosure of  
34 indirect, as well as direct, material interests in  
35 transactions. A person who has a position or relationship with  
36 a firm, corporation, or other entity, which engages in a

1 transaction with the issuer or its subsidiaries may have an  
2 indirect interest in the transaction by reason of the position  
3 or relationship. A person does not have a material indirect  
4 interest in a transaction within the meaning of this paragraph  
5 where:

6 (1) the interest arises only (a) from the person's  
7 position as a director of another corporation or organization,  
8 other than a partnership, which is a party to the transaction;  
9 or (b) from the direct or indirect ownership by the person and  
10 all other persons specified in this paragraph of less than a ten  
11 percent equity interest in another person, other than a  
12 partnership, which is a party to the transaction; or (c) from  
13 both the position and ownership;

14 (2) the interest arises only from the person's  
15 position as a limited partner in a partnership in which he and  
16 all other persons specified in this paragraph had an interest of  
17 less than ten percent; or

18 (3) the interest of the person arises solely from  
19 the holding of an equity interest, including a limited  
20 partnership interest but excluding a general partnership  
21 interest, or a creditor interest in another person which is a  
22 party to the transaction with the issuer or any of its  
23 subsidiaries and the transaction is not material to the other  
24 person.

25 (4) Instructions.

26 (a) In describing any transaction involving the  
27 purchase or sale of assets by or to the issuer or any of its  
28 subsidiaries, otherwise than in the ordinary course of business,  
29 state the cost of the assets to the purchaser and, if acquired  
30 by the seller within two years prior to the transaction, the  
31 cost of them to the seller. Indicate the principle followed in  
32 determining the issuer's purchase or sale price and the name of  
33 the person making the determination.

34 (b) Information shall be furnished in answer to  
35 H. with respect to transactions not excluded above which involve  
36 remuneration from the issuer or its subsidiaries, directly or

1 indirectly, to any of the specified persons for services in any  
2 capacity unless the interest of the persons arises solely from  
3 the ownership individually and in the aggregate of less than ten  
4 percent of any class of equity securities of another corporation  
5 furnishing the services to the issuer or its subsidiaries.

6 7. Transactions with pension or similar plans.

7 a. Describe briefly any transactions since the  
8 beginning of the issuer's last fiscal year, or any presently  
9 proposed transactions, to which any pension, retirement, savings  
10 or similar plan provided by the issuer, or any of its parents or  
11 subsidiaries was or is to be a party, in which any of the  
12 persons specified in 6. or the issuer or any of its subsidiaries  
13 had or is to have a direct or indirect material interest naming  
14 the person and stating his relationship to the issuer, the  
15 nature of his interest in the transaction and, where  
16 practicable, the amount of the interest.

17 b. No information need be given in answer to 7. with  
18 respect to:

19 (1) payments to the plan, or payments to  
20 beneficiaries, pursuant to the terms of the plan;

21 (2) payment of remuneration for services not in  
22 excess of five percent of the aggregate remuneration received by  
23 the specified person during the issuer's last fiscal year from  
24 the issuer and its subsidiaries; or

25 (3) any interest of the issuer or any of its  
26 subsidiaries which arises solely from its general interest in  
27 the success of the plan.

28 c. Instructions.

29 (1) The provisions of 6.d. shall apply to this  
30 paragraph.

31 (2) Without limiting the general meaning of the term  
32 "transaction" there shall be included in answer to 7. any  
33 remuneration received or any loans received or outstanding  
34 during the period, or proposed to be received.

35 I. Matters related to accounting. If the solicitation is  
36 made on behalf of the issuer and relates to an annual meeting of

1 security holders at which directors are to be elected or  
2 financial statements are included, furnish the information  
3 contained in 1.-5 3.

4 1. If the issuer's financial statements are not certified  
5 by independent public or certified accountants, so state.

6 2. If the board of directors has no audit or similar  
7 committee, so state.

8 3. If the issuer's financial statements are certified by  
9 independent public or certified accountants, so state and  
10 provide the following information:

11 a. The name of the principal accountant selected or  
12 being recommended to shareholders for election, approval or  
13 ratification for the current year. If no accountant has been  
14 elected or recommended, so state and briefly describe the  
15 reasons therefor.

16 b. The name of the principal accountant for the fiscal  
17 year most recently completed if different from the accountant  
18 selected or recommended for the current year or if no accountant  
19 has been elected or recommended for the current year.

20 c. If a change in accountants has taken place since  
21 the date of the proxy statement for the most recent annual  
22 meeting of shareholders, so state, and, if in connection with  
23 the change a material disagreement in connection with financial  
24 disclosure between the accountant and issuer has occurred, the  
25 disagreement shall be described. Prior to filing the  
26 preliminary proxy materials with the commissioner which contains  
27 or amends the description, the issuer shall furnish the  
28 description of the disagreement to any accountant with whom the  
29 disagreement has occurred. If that accountant believes that the  
30 description of the disagreement is incorrect or incomplete, he  
31 may include a brief statement, not to exceed 200 words, in the  
32 proxy statement presenting his view of the disagreement. This  
33 statement shall be submitted to the issuer within ten business  
34 days of the date the accountant receives the issuer's  
35 description.

36 d. The proxy statement shall indicate whether or not

1 representatives of the principal accountants for the current  
2 year and for the most recently completed fiscal year are  
3 expected to be present at the stockholders' meeting with the  
4 opportunity to make a statement if they desire to do so and  
5 whether or not the representatives are expected to be available  
6 to respond to appropriate questions.

7 e. If any change in accountants has taken place since  
8 the date of the proxy statement for the most recent annual  
9 meeting of shareholders, state whether the change was  
10 recommended or approved by any audit or similar committee of the  
11 board of directors if the issuer has such a committee, or the  
12 board of directors if the issuer has no such committee.

13 ~~4.---For-the-fiscal-year-most-recently-completed, describe~~  
14 ~~each-professional-service-provided-by-the-principal-accountant~~  
15 ~~and-state-the-percentage-relationship-which-the-aggregate-of-the~~  
16 ~~fees-for-all-nonaudit-services-bear-to-the-audit-fees, and,~~  
17 ~~except-as-provided-in-5.7, state-the-percentage-relationship~~  
18 ~~which-the-fee-for-each-nonaudit-service-bears-to-the-audit~~  
19 ~~fees.---Indicate-whether, before-each-professional-service~~  
20 ~~provided-by-the-principal-accountant-was-rendered, it-was~~  
21 ~~approved-by, and-the-possible-effect-on-the-independence-of-the~~  
22 ~~accountant-was-considered-by, any-audit-or-similar-committee-of~~  
23 ~~the-board-of-directors, and-for-any-service-not-approved-by-an~~  
24 ~~audit-or-similar-committee, the-board-of-directors.~~

25 5.---Instructions.

26 a.---For-purposes-of-5.7, all-fees-for-services-provided  
27 in-connection-with-the-audit-function, including-reviews-of  
28 quarterly-reports, may-be-computed-as-part-of-the-audit-fees.  
29 Indicate-which-services-are-reflected-in-the-audit-fees  
30 computation.

31 b.---If-the-fee-for-any-nonaudit-service-is-less-than  
32 three-percent-of-the-audit-fees, the-percentage-relationship  
33 need-not-be-disclosed.

34 c.---Each-service-should-be-specifically-described.  
35 Broad-general-categories-such-as-"tax-matters"-or-"management  
36 advisory-services"-are-not-sufficiently-specific.

1           d.--Describe-the-circumstances-and-give-details-of-any  
2 services-provided-by-the-issuer's-independent-accountant-during  
3 the-latest-fiscal-year-that-were-furnished-at-rates-or-terms  
4 that-were-not-customary.

5           e.--Describe-any-existing-direct-or-indirect  
6 understanding-or-agreement-that-places-a-limit-on-audit-fees-for  
7 the-current-or-future-years,-including-fee-arrangements-that  
8 provide-fixed-limits-on-fees-that-are-not-subject-to  
9 reconsideration-if-unexpected-issues-involving-accounting-or  
10 auditing-are-encountered.--Disclosure-of-fee-estimates-is-not  
11 required.

12       J. Bonus, profit sharing and other remuneration plans;  
13 pension and retirement plans. If action is to be taken with  
14 respect to any bonus, profit sharing, or other remuneration plan  
15 or any pension or retirement plan, furnish the information  
16 contained in 1.-6.

17           1. Describe briefly the material features of the plan;  
18 identify each class of persons who will participate in it;  
19 indicate the approximate number of persons in each class; and  
20 state the basis of the participation.

21           2. Furnish the information, in addition to that required  
22 by this paragraph and H., necessary to describe adequately the  
23 provisions already made pursuant to all bonus, profit sharing,  
24 pension, retirement, stock option, stock purchase, deferred  
25 compensation, or other remuneration or incentive plans, now in  
26 effect or in effect within the past five years, for (a) each  
27 director or officer named in answer to H.1. who may participate  
28 in the plan to be acted upon; (b) all present directors and  
29 officers of the issuer as a group, if any director or officer  
30 may participate in the plan, and (c) all employees, if employees  
31 may participate in the plan.

32           3. If the plan to be acted upon can be amended otherwise  
33 than by a vote of stockholders to increase the cost of it to the  
34 issuer or to alter the allocation of the benefits as between the  
35 directors and officers on the one hand and employees on the  
36 other hand, state the nature of the amendments which can be made.



1           4. With regard to any bonus, profit sharing or other  
2 remuneration plan on which action is to be taken, furnish the  
3 following information:

4           a. state separately the amounts which would have been  
5 distributable under the plan during the last fiscal year of the  
6 issuer to directors and officers, and to employees if the plan  
7 had been in effect; and

8           b. state the name and position with the issuer of each  
9 person specified in H.1. who will participate in the plan and  
10 the amount which each person would have received under the plan  
11 for the last fiscal year of the issuer if the plan had been in  
12 effect.

13           5. With regard to any pension or retirement plan on which  
14 action is to be taken furnish the following information:

15           a. state the approximate total amount necessary to  
16 fund the plan with respect to past services, the period over  
17 which the amount is to be paid and the estimated annual payments  
18 necessary to pay the total amount over the period; the estimated  
19 annual payment to be made with respect to current services; and  
20 the amount of the annual payments to be made for the benefit of  
21 directors, officers, and employees; and

22           b. state the name and position with the issuer of each  
23 person specified in H.1. who will be entitled to participate in  
24 the plan; the amount which would have been paid or set aside by  
25 the issuer and its subsidiaries for the benefit of the person  
26 for the last fiscal year of the issuer if the plan had been in  
27 effect; and the amount of the annual benefits estimated to be  
28 payable to the person in the event of retirement at normal  
29 retirement date.

30           6. Instructions.

31           a. If action is to be taken with respect to the  
32 amendment or modification of an existing plan, J. shall be  
33 answered with respect to the plan as proposed to be amended or  
34 modified and shall indicate any material differences from the  
35 existing plan.

36           b. The following instructions shall apply to 2.:

1 (1) information need only be given with respect to  
2 benefits received or set aside within the past five years;

3 (2) information need not be included as to payments  
4 made for, or benefits to be received from, group life or  
5 accident insurance, group hospitalization or similar group  
6 payments or benefits; and

7 (3) if action is to be taken with respect to any  
8 plan in which directors or officers may participate, the  
9 information called for by H.4. shall be furnished for the last  
10 five fiscal years of the issuer and any period subsequent to the  
11 end of the latest fiscal year, in aggregate amounts for the  
12 entire period for each person and group. If any named person,  
13 or any other director or officer, purchased securities through  
14 the exercise of options during the period, state the aggregate  
15 amount of securities of that class sold during the period by the  
16 named person and other directors and officers as a group. The  
17 information called for by this instruction is in lieu of the  
18 information since the beginning of the issuer's last fiscal year  
19 called for by H.4. If employees may participate in the plan to  
20 be acted upon, state the aggregate amount of securities called  
21 for by all options granted to employees during the five-year  
22 period and, if the options were other than "restricted" or  
23 "qualified" stock options or options granted pursuant to an  
24 "employee stock purchase plan", as these terms are defined in  
25 the Internal Revenue Code SS 422-424, as amended through the  
26 effective date of this rule, state that fact and the weighted  
27 average option price per share. The information called for by  
28 this instruction may be furnished in the form of the table set  
29 forth in Exhibit 4 MCAR S 1.9267 H.4.a.-1.

30 c. If the plan to be acted upon is set forth in a  
31 written document, three copies of it shall be filed with the  
32 commissioner at the time preliminary copies of the proxy  
33 statement and form of proxy are filed.

34 d. The information called for by H.5.a.(3) or  
35 H.5.b.(2) need not be given as to payments made on an actuarial  
36 basis pursuant to any group pension plan which provides for

1 fixed benefits in the event of retirement at a specified age or  
2 after a specified number of years of service.

3 K. Options, warrants or rights. If action is to be taken  
4 with respect to the granting or extension of any options to  
5 purchase securities of the issuer or any subsidiary, furnish the  
6 information contained in 1.-4.

7 1. State the following:

8 a. the title and amount of securities called for or to  
9 be called for by the options;

10 b. the prices, expiration dates, and other material  
11 conditions upon which the options may be exercised;

12 c. the consideration received or to be received by the  
13 issuer or subsidiary for the granting or extension of the  
14 options;

15 d. the market value of the securities called for or to  
16 be called for by the options as of the latest practicable date;  
17 and

18 e. in the case of options, the federal income tax  
19 consequences of the issuance and exercise of the option to the  
20 recipient and to the issuer.

21 2. State separately the amount of options received or to  
22 be received by the following persons, naming each person:

23 a. each director ~~of~~ or officer named in answer to H.1.;

24 b. each nominee for election as a director of the  
25 issuer;

26 c. each associate of the directors, officers, or  
27 nominees; and

28 d. each other person who received or is to receive ten  
29 percent or more of the options received or to be received by all  
30 directors and officers of the issuer as a group, without naming  
31 them.

32 3. In addition to that required by K. and H., furnish the  
33 information necessary to describe adequately the provisions  
34 already made pursuant to all bonus, profit sharing, pension,  
35 retirement, stock option, stock purchase, deferred compensation,  
36 or other remuneration or incentive plans, now in effect or in

1 effect within the past five years, for each director or officer  
2 named in answer to H.1. who may participate in the plan to be  
3 acted upon; all present directors and officers of the issuer as  
4 a group, if any director or officer may participate in the plan;  
5 and all employees, if employees may participate in the plan.

6 4. Instructions. The provisions of a.-d. apply to k.

7 a. The term option includes any option, warrant or  
8 right.

9 b. The provisions of l. and 3. do not apply to  
10 warrants or rights to be issued to security holders as such on a  
11 pro rata basis.

12 c. The provisions of J.6.b. shall also apply to 3.

13 d. If the options described in answer to K. are issued  
14 pursuant to a plan which is set forth in a written document,  
15 three copies of it shall be filed with the commissioner at the  
16 time preliminary copies of the proxy statement and form of proxy  
17 are filed.

18 L. Authorization or issuance of securities otherwise than  
19 for exchange.

20 If action is to be taken with respect to the authorization  
21 or issuance of any securities otherwise than for exchange for  
22 outstanding securities of the issuer, furnish the information  
23 contained in l.-4.

24 1. State the title and amount of the securities to be  
25 authorized or issued.

26 2. If the securities are other than additional shares of  
27 common stock of a class outstanding, furnish a brief summary of  
28 the following, if applicable: dividend, voting, liquidation,  
29 preemptive, and conversion rights; redemption and sinking fund  
30 provisions; interest rate and date of maturity.

31 3. Describe briefly the transaction in which the  
32 securities are to be issued, including a statement as to the  
33 nature and approximate amount of consideration received or to be  
34 received by the issuer; and the approximate amount devoted to  
35 each purpose, as far as is determinable, for which the net  
36 proceeds have been or are to be used. If it is impracticable to

1 describe the transaction in which the securities are to be  
2 issued, state the reason, indicate the purpose of the  
3 authorization of the securities and state whether further  
4 authorization for the issuance of the securities by a vote of  
5 security holders will be solicited prior to the issuance.

6 4. If the securities are to be issued otherwise than in a  
7 general public offering for cash, state the reasons for the  
8 proposed authorization or issuance and the general effect of it  
9 upon the rights of existing security holders.

10 M. Modification of or exchange of securities. If action is  
11 to be taken with respect to the modification of any class of  
12 securities of the issuer, or the issuance or authorization for  
13 issuance of securities of the issuer in exchange for outstanding  
14 securities of the issuer, furnish the information contained in  
15 1.-5.

16 1. If outstanding securities are to be modified, state  
17 the title and amount of the securities. If securities are to be  
18 issued in exchange for outstanding securities, state the title  
19 and the amount of securities to be so issued, the title and the  
20 amount of outstanding securities to be exchanged, and the basis  
21 of the exchange.

22 2. Describe any material differences between the  
23 outstanding securities and the modified or new securities.

24 3. State the reasons for the proposed modification or  
25 exchange and the general effect of it upon the rights of  
26 existing security holders.

27 4. Furnish a brief statement as to arrears in dividends  
28 or defaults in principal or interest in respect to the  
29 outstanding securities which are to be modified or exchanged and  
30 other information appropriate in the particular case to disclose  
31 adequately the nature and effect of the proposed action.

32 5. Outline briefly any other material features of the  
33 proposed modification or exchange. If the plan of proposed  
34 action is set forth in a written document, file copies of it  
35 with the commissioner at the time the preliminary proxy material  
36 is filed.

1 N. Mergers, consolidations, acquisitions and similar  
2 matters. Furnish the information contained in 1.-3. if action  
3 is to be taken with respect to any plan for: the merger or  
4 consolidation of the issuer into or with any other person or of  
5 any other person into or with the issuer; the acquisition by the  
6 issuer or any of its security holders of securities of another  
7 issuer; the acquisition by the issuer of any other going  
8 business or of the assets thereof; the sale or other transfer of  
9 all or any substantial part of the assets of the issuer; or the  
10 liquidation or dissolution of the issuer.

11 1. Outline briefly the material features of the plan.  
12 State the reasons for it and the general effect of it upon the  
13 rights of existing security holders. If the plan is set forth  
14 in a written document, file three copies of it with the  
15 commissioner at the time preliminary copies of the proxy  
16 statement and form of proxy are filed.

17 2. Furnish the information contained in a.-h. as to the  
18 issuer and each person to be merged into the issuer or into or  
19 with which the issuer is to be merged or consolidated or the  
20 business or assets of which are to be acquired or which is the  
21 issuer of securities to be acquired by the issuer in exchange  
22 for all or a substantial part of its assets or to be acquired by  
23 security holders of the issuer. What is required is information  
24 essential to an investor's appraisal of the action proposed to  
25 be taken.

26 a. Describe briefly the business of the person.

27 b. State the location and describe the general  
28 character of the plants and other important physical properties  
29 of the person. The description is to be given from an economic  
30 and business standpoint, as distinguished from a legal  
31 standpoint. Portfolio or investment assets of an issuer need  
32 not be disclosed.

33 c. Furnish a brief statement as to dividends in  
34 arrears or defaults in principal or interest in respect of any  
35 securities of the issuer or of the person, and as to the effect  
36 of the plan thereon and such other information as may be

1 appropriate in the particular case to disclose adequately the  
2 nature and effect of the proposed action.

3 d. Furnish a tabulation in columnar form showing the  
4 existing and the pro forma capitalization.

5 e. Furnish in columnar form for each of the last five  
6 fiscal years an historical summary of earnings and show per  
7 share amounts of net earnings, dividends declared for each year  
8 and book value per share at the end of the latest period.

9 f. Furnish in columnar form for each of the last five  
10 fiscal years a combined pro forma summary of earnings, as  
11 appropriate in the circumstances, indicating the aggregate and  
12 per-share earnings for each year and the pro forma book value  
13 per share at the end of the latest period. If the transaction  
14 establishes a new basis of accounting for assets of any of the  
15 persons included in the accounting, the pro forma summary of  
16 earnings shall be furnished only for the most recent fiscal year  
17 and interim period and shall reflect appropriate pro forma  
18 adjustments resulting from the new basis of accounting.

19 g. To the extent material for the exercise of prudent  
20 judgment in regard to the matter to be acted upon, furnish the  
21 historical and pro forma earnings data specified in e. and f.  
22 for interim periods of the current and prior fiscal years, if  
23 available.

24 h. Instructions. The provisions of 2. shall not apply  
25 if the plan described in answer to 1. involves only the issuer  
26 and one or more of its totally-held subsidiaries.

27 3. As to each class of securities of the issuer, or of  
28 any person specified in 2., which is admitted to dealing on a  
29 national securities exchange or with respect to which a market  
30 otherwise exists and which will be materially affected by the  
31 plan, state the high and low sale prices, or, in the absence of  
32 trading in a particular period, the range of the bid and asked  
33 prices for each quarterly period within two years. This  
34 information may be omitted if the plan involves merely the  
35 liquidation or dissolution of the issuer.

36 O. Financial statements.

1           1. If action is to be taken with respect to any matter  
2 specified in L.-N., furnish financial statements of the issuer  
3 and its subsidiaries complying with the requirements of 4 MCAR S  
4 1.9258 B.1.-3. including schedules of supplementary profit and  
5 loss information. The statements may be omitted with respect to  
6 a plan described in answer to N. if the plan involves only the  
7 issuer and one or more of its totally-held subsidiaries.

8           2. If action is to be taken with respect to any matter  
9 specified in N.2., furnish for each person specified, other than  
10 the issuer, financial statements complying with the requirements  
11 of 4 MCAR S 1.9258 B.1.-3.

12           3. The commissioner may, upon the request of the issuer,  
13 permit the omission of any of the statements required in O.  
14 where the statements are not necessary for the exercise of  
15 prudent judgment in regard to any matter to be acted upon, or  
16 may permit the filing in substitution therefor of appropriate  
17 statements of comparable character. The commissioner may also  
18 require the filing of other statements in addition to, or in  
19 substitution for, the statements required in O. in any case  
20 where the statements are necessary or appropriate for an  
21 adequate presentation of the financial condition of any person  
22 whose financial statements are required, or whose statements are  
23 otherwise material for the exercise of prudent judgment in  
24 regard to any matter to be acted upon. In the usual case,  
25 financial statements are deemed material to the exercise of  
26 prudent judgment where the matter to be acted upon is the  
27 authorization or issuance of a material amount of senior  
28 securities, but are not deemed material where the matter to be  
29 acted upon is in the authorization or issuance of common stock,  
30 otherwise than in an exchange, merger or consolidation,  
31 acquisition or similar transaction.

32           4. The proxy statement may incorporate by reference any  
33 financial statements contained in an annual report sent to  
34 security holders with respect to the same meeting as that to  
35 which the proxy statement relates, if the financial statements  
36 substantially meet the requirements of O.



1 P. Acquisition or disposition of property. If action is to  
2 be taken with respect to the acquisition or disposition of any  
3 property, furnish the information contained in 1.-4.

4 1. Describe briefly the general character and location of  
5 the property.

6 2. State the nature and amount of consideration to be  
7 paid or received by the issuer or any subsidiary. To the extent  
8 practicable, outline briefly the facts bearing upon the question  
9 of the fairness of the consideration.

10 3. State the name and address of the transferor or  
11 transferee as the case may be, and the nature of any material  
12 relationship of the person to the issuer or an affiliate of the  
13 issuer.

14 4. Outline briefly any other material features of the  
15 contract or transaction.

16 Q. Restatement of accounts. If action is to be taken with  
17 respect to the restatement of any asset, capital, or surplus  
18 account of the issuer, furnish the information contained in 1.-4.

19 1. State the nature of the restatement and its effective  
20 date.

21 2. Outline briefly the reasons for the restatement and  
22 the selection of the particular effective date.

23 3. State the name and amount of each account, including  
24 any reserve accounts, affected by the restatement and the effect  
25 of the restatement on it. Tabular presentation of the amounts  
26 shall be made when appropriate, particularly in the case of  
27 recapitalizations.

28 4. To the extent practicable, state whether and the  
29 extent, if any, to which the restatement will, as of the date of  
30 it, alter the amount available for distribution to the holders  
31 of equity securities.

32 R. Action with respect to reports. If action is to be taken  
33 with respect to any report of the issuer or of its directors,  
34 officers or committees or any minutes of meetings of its  
35 stockholders, furnish the information contained in 1. and 2.

36 1. State whether or not the action constitutes approval

1 or disapproval of any of the matters referred to in the reports  
2 or minutes.

3 2. Identify each of the matters which it is intended will  
4 be approved or disapproved and furnish the information required  
5 by the appropriate provisions of this rule with respect to each  
6 matter.

7 S. Matters not required to be submitted. If action is to be  
8 taken with respect to any matter which is not required to be  
9 submitted to a vote of security holders, state the nature of the  
10 matter, the reasons for submitting it to a vote of security  
11 holders and what action is intended to be taken by the  
12 management in the event of a negative vote on the matter by the  
13 security holders.

14 T. Amendment of charter, by-laws, or other documents.

15 1. If action is to be taken with respect to any amendment  
16 of the issuer's charter, by-laws or other documents as to which  
17 information is not required in 4 MCAR SS 1.9255-1.9267, state  
18 briefly the reasons for and general effect of the amendment.

19 2. Instruction. Where the matter to be acted upon is the  
20 classification of directors, state whether vacancies which occur  
21 during the year may be filled by the board of directors to serve  
22 only until the next annual meeting or may be filled for the  
23 remainder of the full term.

24 U. Other proposed action. If action is to be taken with  
25 respect to any matter not specifically referred to in 4 MCAR SS  
26 1.9255-1.9267 describe briefly the substance of each matter in  
27 substantially the same degree of detail as is required by F.-T.

28 V. Vote required for approval. As to each matter which is  
29 to be submitted to a vote of security holders, other than  
30 elections to office or the selection or approval of auditors,  
31 state the vote required for its approval.

32 4 MCAR S 1.9268 Schedule B; information to be included in  
33 statements filed by or on behalf of a participant other than the  
34 issuer in a proxy solicitation in an election contest.

35 A. Requirement. The proxy statement shall contain the  
36 information required by B.-F.

1 B. Issuer. State the name and address of the issuer.

2 C. Identity and background.

3 1. State your name and business address and your present  
4 principal occupation or employment and the name, principal  
5 business and address of any corporation or other organization in  
6 which this employment is carried on.

7 2. State your residence address and information as to all  
8 material occupations, positions, offices or employments during  
9 the last ten years, giving starting and ending dates of each and  
10 the name, principal business and address of any business  
11 corporation or other business organization in which each  
12 occupation, position, office or employment was carried on.

13 3. State whether or not you are or have been a  
14 participant in any other proxy contest involving this company or  
15 other companies within the past ten years. If so, identify the  
16 principals, the subject matter and your relationship to the  
17 parties and the outcome.

18 4. State whether or not, during the past ten years, you  
19 have been convicted in a criminal proceeding, excluding traffic  
20 violations or similar misdemeanors, and, if so, give dates,  
21 nature of conviction, name and location of court, and penalty  
22 imposed or other disposition of the case. A negative answer to  
23 this paragraph need not be included in the proxy statement or  
24 other proxy soliciting material.

25 D. Interest in securities of the issuer.

26 1. State the amount of each class of securities of the  
27 issuer which you own beneficially, directly or indirectly.

28 2. State the amount of each class of securities of the  
29 issuer which you own of record but not beneficially.

30 3. State with respect to all securities of the issuer  
31 purchased or sold within the past two years, the dates on which  
32 they were purchased or sold and the amounts purchased or sold on  
33 each date.

34 4. If any part of the purchase price or market value of  
35 any of the securities specified in 3. is represented by funds  
36 borrowed or otherwise obtained for the purpose of acquiring or

1 holding the securities, so state and indicate the amount of the  
2 indebtedness as of the latest practicable date. If the funds  
3 were borrowed or obtained otherwise than pursuant to a margin  
4 account or bank loan in the regular course of business of a  
5 bank, broker or dealer, briefly describe the transaction, and  
6 state the names of the parties.

7         5. State whether or not you are a party to any contracts,  
8 arrangements or understandings with any person with respect to  
9 any securities of the issuer, including joint ventures, loan or  
10 option arrangements, puts or calls, guarantees against losses or  
11 guarantees of profits, division of losses or profits, or the  
12 giving or withholding of proxies. If so, name the persons with  
13 whom the contracts, arrangements, or understandings exist and  
14 give the details of them.

15         6. State the amount of securities of the issuer owned  
16 beneficially, directly or indirectly, by each of your associates  
17 and the name and address of each associate.

18         7. State the amount of each class of securities of any  
19 parent, subsidiary or affiliate of the issuer which you own  
20 beneficially, directly or indirectly.

21         E. Further matters.

22             1. Describe the time and circumstances under which you  
23 became a participant in the solicitation and state the nature  
24 and extent of your activities or proposed activities as a  
25 participant.

26             2. Describe briefly, and where practicable state the  
27 approximate amount of, any material interest, direct or  
28 indirect, of yourself and of each of your associates in any  
29 material transactions since the beginning of the company's last  
30 fiscal year, or in any material proposed transactions, to which  
31 the company or any of its subsidiaries or affiliates was or is  
32 to be a party.

33             3. State whether or not you or any of your associates  
34 have any arrangement or understanding with any person with  
35 respect to any future employment by the issuer or its  
36 subsidiaries or affiliates; or with respect to any future

1 transactions to which the issuer or any of its subsidiaries or  
2 affiliates will or may be a party.

3 If so, describe the arrangement or understanding and state  
4 the names of the parties to it.

5 F. Signature. The statement shall be dated and signed in  
6 the following manner:

7 I certify that the statements made in this statement  
8 are true, complete, and correct, to the best of my  
9 knowledge and belief.

10

11 ..... ..

12 Date (Signature of participant or  
13 authorized representative)

14 4 MCAR S 1.9269 Schedule C; information required in information  
15 statement.

16 A. Contents. The information statement shall contain the  
17 information required by B.-G.

18 B. Limitation. Where any provision other than F. calls for  
19 information with respect to any matter to be acted upon at the  
20 meeting, the provision need be answered only with respect to  
21 proposals to be made by the issuer.

22 C. Information required by 4 MCAR S 1.9267. Furnish the  
23 information called for by 4 MCAR S 1.9267 except A., B., D. and  
24 E. which would be applicable to any matter to be acted upon at  
25 the meeting if proxies were to be solicited in connection with  
26 the meeting.

27 D. Statement that proxies are not solicited. The following  
28 statement shall be set forth on the first page of the  
29 information statement in bold face type:

30 "WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE  
31 REQUESTED NOT TO SEND US A PROXY."  
32

32

33 E. Date, time and place of meeting. State the date, time  
34 and place of the meeting of security holders, unless the  
35 information is otherwise disclosed in material furnished to  
36 security holders with the information statement.

1 F. Interest of certain persons in or opposition to matters  
2 to be acted upon.

3 1. Describe briefly any substantial interest, direct or  
4 indirect, by security holdings or otherwise, of each of the  
5 following persons in any matter to be acted upon, other than  
6 elections to office:

7 a. each person who has been a director or officer of  
8 the issuer at any time since the beginning of the last fiscal  
9 year;

10 b. each nominee for election as a director of the  
11 issuer; and

12 c. each associate of the foregoing persons.

13 2. Give the name of any director of the issuer who has  
14 informed the management in writing that he intends to oppose any  
15 action to be taken by the management at the meeting and indicate  
16 the action which he intends to oppose.

17 G. Proposals by security holders. If any security holder  
18 entitled to vote at the meeting has, not less than 90 days  
19 before the issuer's annual meeting, submitted to the issuer a  
20 proposal which is accompanied by notice of his intention to  
21 present the proposal for action at the meeting, make a statement  
22 to that effect, identify the proposal and indicate the  
23 disposition proposed to be made of the proposal by the  
24 management at the meeting.

25 4 MCAR S 1.9270 Alternative compliance. Notwithstanding the  
26 provisions of 4 MCAR SS 1.9255-1.9269, the commissioner may  
27 shall permit the solicitation of proxies, consents, or  
28 authorizations if the manner of solicitation and the form of  
29 proxy, proxy statement and other documents used in the  
30 solicitation comply with the National Association of Insurance  
31 Commissioner's Model Regulation and the Schedules thereto.

32 4 MCAR SS 1.9271-1.9274 [Reserved for future use.]

33

34 Repealer. Rules Ins 32 and 34 are repealed.