A Reading List about Mutual Holding Companies

This list contains favorable and unfavorable views about mutual holding companies, as well as some articles about demutualization and business strategies. Several items that provide a good starting point for mutual company policyholders to learn about this subject are in boldface. There is also a separate section on executive compensation and performance.

- Actuarial Standards Board (Closed Block Task Force of the Life Committee), "Actuarial Responsibilities With Respect to Closed Blocks in Mutual Life Insurance Company Reorganizations," Actuarial Standard of Practice No. 33. www.actuary.org.
- Actuarial Standards Board (Task Force on Allocation of Policyholder Equity of the Life Committee), "Allocation of Policyholder Consideration in Mutual Life Insurance Company Demutualizations," Exposure Draft. www.actuary.org
- Adelman, Saul W. and Mark Cross, "Estimating the Cost of Equity for a Mutual Insurance Company," research proposal, 1998. www.aria.org/1998papers/costequity.htm
- Adkins, Jason B. and Jeffrey A. Koeppel, "Point/Counterpoint: Mutual Holding Companies: Crafting a New Structure," *Best's Review (Life/Health Edition)*, February 1998. To obtain a copy, call 908-439-2200.
- Adkins, Jason B., "The Policyholder Perspective on Mutual Holding Company Conversions," *Journal of Insurance Regulation*, Vol. 16, No. 1 (Fall 1997).
- A.M. Best Company, "Demutualizations: The State of Conversions in 2002", Special Report, *BestWeek*, September 30, 2002.
- A.M. Best Company, "Canadian Demutualization: Form or Substance?", Special Report, *BestWeek*, July 6, 1999.
- A.M. Best Company, "Holding Company Issues: A Critical Component of Best's Ratings," Special Report, June 9, 1997.
- Atkins, Howard I., "A Mutual Need," LIMRA's MarketFacts, January/February 1998.
- "Attorneys Address Treasury's Questions on Mutual Holding Company Issues," *Insurance Tax Review*, June 1998.
- Bailey, Steve and Steven Syre, "Lawsuits claim SBLI cheated policyholders," *Boston Globe*, May 29, 1998. www.bostonglobe.com/globe

Banham, Russ, "Capital Callings," CFO Magazine, April 1998.

Belth, Joseph M., "Who Says Financial Services Integration Is in Consumers' Best Interests?", North American Actuarial Journal, July 2000.

Belth, Joseph M., "Characteristics of an Excellent Demutualization Plan," *The Insurance Forum*, May 2000. To obtain a copy, call 888-876-9590.

- Belth, Joseph M., "Wit Capital and the Demutualization of John Hancock," *The Insurance Forum*, January 2000.
- Belth, Joseph M., "The Strange Results of the Allocation Formula in the Demutualization of John Hancock," *The Insurance Forum*, December 1999.
- Belth, Joseph M., "Another Major Setback for Provident Mutual and the Mutual Holding Company Concept," *The Insurance Forum*, November 1999.
- Belth, Joseph M., "More on the Canadian Approach to the Allocation of Value to Policyholders in Demutualizations," *The Insurance Forum*, April 1999.
- Belth, Joseph M., "The Strange Results of the Allocation Formula in the Demutualization of Standard Insurance Company," *The Insurance Forum*, May 1999.
- Belth, Joseph M., "Eligibility An Important Issue in Demutualization," *The Insurance Forum*, April 1999.
- Belth, Joseph M., "Provident Mutual's Legal Snag A Stunning Setback for the Mutual Holding Company Concept," *The Insurance Forum*, April 1999.

Belth, Joseph M., "Mutual Holding Companies and the Distribution of Surplus to Participating Policyholders," *The Insurance Forum*, February 1999.

- Belth, Joseph M., "The Pennsylvania Insurance Department's Approval of Provident Mutual's Anti-Policyowner Reorganization Plan," *The Insurance Forum*, January 1999.
- Belth, Joseph M., "The Iowa's Commissioner's Anti-Policyowner Decision on Principal Mutual's Reorganization Plan," *The Insurance Forum*, July 1998.
- Belth, Joseph M., "The Apparent Cover-up at Provident Mutual," *The Insurance Forum*, June 1998.
- Belth, Joseph M., "Democracy at Provident Mutual A Case Study in the Suppression of Communication among Policyholders," *The Insurance Forum*, May 1998.
- Belth, Joseph M., "Principal Mutual and the New York Insurance Department," *The Insurance Forum*, April 1998.
- Belth, Joseph M., "The Mutual Holding Company A Flawed Concept," *The Insurance Forum*, December 1997.

- Belth, Joseph M., "General American and the Mutual Holding Company Concept," *The Insurance Forum*, March 1997.
- Belth, Joseph M., "The Demutualization of Midland Mutual," *The Insurance Forum*, December 1994.
- Bobo, Jack, "Mutual Holding Companies Essential For A Competitive Marketplace," *National Underwriter (Life & Health/Financial Services Edition)*, July 27, 1998.
- Butler, Richard J., Yijing Cui, and Andrew Whitman, "Insurers' Demutualization Decisions," *Risk Management and Insurance Review*, Fall 2000.
- Carroll, Charles, "Getting on the MHC Bandwagon," *Insurance Executive*, Ernst & Young LLP, Fall 1997. www.ey.com
- Carson, James M., Mark D. Forster, and Michael J. McNamara, "Debunking the Capitalization Myth," *Best's Review (Life/Health Edition)*, April 1999.
- Carson, James M., Mark D. Forster, and Michael J. McNamara, "Changes in Mutual Life Insurance Ownership Form," *Journal of Financial Service Professionals*, March 1999.
- Carson, James M., Mark D. Forster, and Michael J. McNamara, "Changes in Ownership Structure: Theory and Evidence from Life Insurer Demutualizations," *Journal of Insurance Issues*, Vol. 21, No. 1 (Spring 1998).
- Center for Insurance Research, References. www.essential.org/orgs/cir/

Clemens, Richard G., "Mutual Holding Companies Offer Increased Flexibility for Acquirors," SNL Securities Insurance Mergers & Acquisitions, May 12, 1998. www.sidley.com/whatsnew/news67.html

Clinton, Edward X., "The Rights of Policyholders in an Insurance Demutualization," Drake Law Review, 1992.

Cohen, Michael A., Larry G. Mayewski and Michael L. Albanese, "End of an Era?", Best's Review (Life/Health Edition), August 1998.

Collins, Sue, "Allocating Equity," Best's Review (Life/Health Edition), December 1998.

- Conning & Company, "Reshaping the mutuals," Conning Commentary, February 2000.
- Conning & Company, *Mutual Companies* A Vanishing Breed, 1998. For a summary, see *The Conning Commentary*, September 1998. More info: www.conning.com.

Cudlipp, Graham, "Who Really Benefits?", Canadian Insurance, December 1998.

Daily, Glenn S., "Mutual Life Insurance Company Reorganizations: An Overview." www.glenndaily.com/mhcoverview.htm

- Daily, Glenn S., "Dear Valued Customer," *NAPFA Advisor*, September 1998. www.glenndaily.com/bookstore.htm
- "Debevoise & Plimpton's Dunham Discusses Insurance Industry Issues," SNL Securities Insurance Mergers & Acquisitions, July 21, 1998.
- Department of Finance (Canada), *Demutualization Regime for Canadian Life Insurance Companies*, August 1998. Available at www.fin.gc.ca/toce/1998/demutual%5Fe.html. Update available at www.fin.gc.ca/newse99/99-027e.html.
- "Demutualization in an International Context," *Record of the Society of Actuaries*, Vol. 24, No. 1 (1998). www.soa.org
- DesRochers, Christian J., "Mutual Insurance Holding Companies: An Update," *small talk*, May 1998.
- "Developing a Demutualization Acquisition Strategy for Private Equity Firms," *Harvard Law Review*, June 1997.
- Faucette, Douglas P., "Deserving a Share," Best's Review (Life/Health Edition), November 1999.
- Fayman, Jonathan T. and Julie Greenberg, "Price It Right," Best's Review, February 2000.
- Fitzgerald, John F., "Demutualizing an Insurance Company: Determining and Distributing Policyholders' Shares," *Journal of Insurance Regulation*, June 1986.
- Fletcher, Linda Pickthorne, "Motivations Underlying the Mutualization of Stock Life Insurance Companies," *Journal of Risk and Insurance*, March 1966.
- Fliegelman, Arthur and Keven Maloney, "March of the Mutuals A Rapidly Evolving World," Moody's Investors Service, May 1998. Summary available at www.moodys.com/insurance; to obtain a copy, call 212-553-1658.
- Francis, David R., "Policyholders Lose Out As Mutuals Change Shape," *The Christian Science Monitor*, November 17, 1997, and November 25 letter to the editor. www.csmonitor.com.

Frankel, Stephen H., "The mutual insurance concept," The Actuary, June 2000.

Friedman, Ira, "Mutualism: Looking Back," Best's Review (Life/Health Edition), May 1985

Fritz, Michael, "Watch out for demutual admiration society," InvestmentNews, April 26, 1999.

Fritz, Michael, "Unlikely allies battle demutualization," InvestmentNews, April 20, 1998.

Fuerstenburg, Rich and Bill Brossman, "Employers face tough questions on demutualization distributions, *The Actuary*, June 2000.

Geer, Carolyn T., "Mutual benefit," Forbes, January 12, 1998, pp. 190-191.

- Gendron, Michel and Denis Moffet, "Ownership Considerations in a New Legal Structure of Life Insurance Company," *Actuarial Research Clearing House (ARCH)*, 1991.1.
- Gettlin, Robert H., "Learning an 82-Year Lesson," *Best's Review (Property/Casualty Edition)*, July 1997.

Gluck, Andrew, "Mutual Enemies," Dow Jones Investment Advisor, May 1998, p. 26.

Gorski, Lorraine, "Life in the Public Eye," Best's Review, November 2002.

- Green, Meg, "Mutual Holding Companies: Are They Thriving or Dying?", *BestWeek*, September 18, 2000.
- Green, Meg, "A Feud Between Friends," Best's Review (Property/Casualty Edition), May 1999.
- Guinn, Patricia and Sue Collins, "Having It Both Ways," *Best's Review (Life/Health Edition)*, September 1997.
- Hagstrom, Dale and Godfrey Perrott, "Change of Ownership: Actuarial Aspects of Demutualization," *Contingencies*, January/February 1998.
- Hall, Brian J. and Kevin J. Murphy, "Optimal Exercise Prices for Executive Stock Options," *American Economic Review*, May 2000.
- Harman, William B., Jr., "The Continued Application of Section 809 After a Mutual Insurance Holding Company Restructuring," *Insurance Tax Review*, November 1998, pp. 827-836.
- Harris, Carl M., Donald H. Pond, and John F. Bevacqua, "What is This Thing Called a 'Mutual Insurance Holding Company'?," *The Financial Reporter*, Society of Actuaries, September 1997.
- Heacox, Linda, "Demutualization one year later," *The Actuary*, June 2001.
- Heller, Richard M., "Demutualization: The Economics Won't Go Away," *Journal of Insurance Regulation*, September 1986.
- Hemmings, Richard A. and Robert S. Seiler, "An Economically Viable Model For Insurers to Demutualize," *Best's Review (Life/Health)*, November 1995.

- Hennequin, Antoine and Patrick Peugeot, "The Organization of Insurance Companies: Points for Discussion on Mutuals, Demutualization and Beyond," *The Geneva Papers on Risk and Insurance*, July 2001.
- Hines, William, "Closed-Block Purchase Price Adjustment in a Sponsored Demutualization Transaction," *The Financial Reporter*, September 2002. www.soa.org
- Hughes, E. Tom, "Mutual Holding Companies An Alternative Approach," *The Financial Reporter*, December 1997.
- Hunt, James H., "Why We Need Mutual Life Insurers," *The Insurance Forum*, May 1998. www.glenndaily.com/hunt.htm.
- "Insurance policies: Pay attention or you could pay a big price," *Consumer Reports*, November 1998.
- "Iowa Outlines Principal's Payout Options," Insurance Regulator, May 25, 1998.
- Jeng, Vivian S.C., Gene C. Lai, and Michael J. McNamara, "Organizational Structure and Efficiency: The Case of Life Insurer Demutualizations," research proposal, 1999. www.aria.org/1999program/demutualization_lifeins.htm
- Johnson, Shane A. and Tian, Yisong S., "The value and incentive effects of non-traditional executive stock option plans," *Journal of Financial Economics*, July 2000.
- Johnson, Shane A. and Tian, Yisong S., "Indexed executive stock options," *Journal of Financial Economics*, July 2000.
- Kabele, Thomas G., "A Changing Landscape in the Life Insurance Industry," *Insurance Tax Review*, December 1998, and "Update," January 1999.
- Karas, James N. Jr. and John J. Tomaszewski, Jr., "Demutualizations and Employee Welfare Benefit Plans: Issues and Opportunities," *Journal of Taxation of Investments*, Summer 2001.

Keating, Peter, "Whose Company Is It, Anyway?", Money, October 1998.

- Kelly, Sarah, "AmerUs Uses Mutual Holding Company Structure to Further Acquisitions, Growth," SNL Securities Insurance Mergers & Acquisitions, May 27, 1998.
- Kempler, Cecelia, "Mutual Insurance Holding Company Statutes," LeBoeuf, Lamb, Greene & MacRae, LLP, 1997. www.insurlegal.com/article08_1.html
- Koenig, William, Stephen Steinig, and Judy Weiss, "A Competitive Necessity," *Contingencies*, September/October 1998, pp. 10-14.

Kosnett, Jeffrey R., "The End of Mutuals," Life Association News, June 1998.

Landberg, Steven M., "Driven to Perform," Best's Review (Life/Health Edition), May 1999.

- Leckie, Robin B. and discussants, "Some Actuarial Considerations for Mutual Companies," *Transactions of the Society of Actuaries*, Vol. 31 (1979).
- Liddy, Richard A., "The Feeling is Mutual," LIMRA's MarketFacts, January/February 1998.
- Loble, Sarah A., "Demutualization of Mutual Insurance Companies: What's a Fiduciary to Do?", *Davis Wright Tremaine Benefits in Brief Law Letter*, Summer 1999. Available at http://dwt.inherent.com/News/empbennews/home.html.
- Lombardi, Mike, "Update on Canadian Demutualization," September 2000. www.tillinghast.com

Lombardi, Mike, "Demutualization in Canada," The Actuary, January 2000.

- Lonkevich, Dan, "NAIC Paper Concedes Bankruptcy Laws May Supercede State Insurance Regulations," *National Underwriter (Life & Health/Financial Services Edition)*, October 5, 1998.
- Lonkevich, Dan, "NAIC Struggles With MHC Paper," National Underwriter (Life & Health/Financial Services Edition), May 25, 1998.
- Lonkevich, Dan, "MHC White Paper Gets Cool NAIC Reception," National Underwriter (Life & Health/Financial Services Edition), March 30, 1998.

Manders, John M. and Robert W. Cooper, "Presenting a Case For Conversion," Best's Review (Life/Health Edition), September 1998.

- Martin, Ernest, "The Human Side of Demutualization." www.loma.org/human_side_of_demutualization.htm
- McDonald, Lee and Christopher Winans, "Mostly Mutual," *Best's Review (Life/Health Edition)*, March 1999.
- McDonald, Lee, Caroline Saucer, and Christopher Winans, "Taking Stock," *Best's Review* (*Life/Health Edition*), November 1997.
- McClaughlin, Michael, "Getting There," Insurance Executive, Ernst & Young, Winter 98/99.
- Mehta, Dana B., "A Rating Agency's Perspective on the Mutual Holding Company," Special Report, Duff & Phelps Credit Rating Co., March 1997.
- Middleton, Lisa Karam, "What demutualization means for policyholders." Available at www.insure.com/life/demutual.html.

- Miller, Theresa, "Regulators Wary of Holding Company Insolvency Issues," *Life/Health BestWeek*, September 21, 1998.
- Moody's Investors Service, "The Equity Tax Revisited: Who Will Pay It If All the Mutuals Are Gone?", Special Comment, March 1999.
- Moody's Investors Service, "Capital Formation in the Life Insurance Industry," Special Comment, November 1997.
- Moody's Investors Service, "Moody's Views on Mutual Insurance Holding Companies," Special Comment, March 1997.
- Morris, Barbara A., "The Durability of Mutuality," Insurance Advocate, January 22, 2000.
- Mulhare, Thomas, "Insuring Against Demutualization," Best's Review, November 2001
- "Mutual Issues Continue to Confound," Insurance Regulator, May 11, 1998.

National Association of Insurance Commissioners, *Mutual Insurance Holding Company Reorganizations*, 1998. www.naic.org

- National Association of Insurance Commissioners, NAIC Research Library, Demutualization Bibliography. www.naic.org
- National Association of Mutual Insurance Companies, Focus on the Future: Options for the Mutual Insurance Company, 1998. www.namic.org/s/tf/ix.htm

New York State Assembly Standing Committee on Insurance, *The Feeling's Not Mutual:* An Analysis of Governor Pataki's Proposed Mutual Holding Company Legislation, March 1998. assembly.state.ny.us/Reports

Noakes, Susan, "Demutualization: One Year Later, CAIFA Forum, October 2000.

Okubo, Makoto, "MHCs: A Global Perspective," *Insurance Finance & Investment*, February 8, 1999.

Osterland, Andrew and Susan Jackson, "Insurance Showdown: Who's Right?", *Business Week*, March 2, 1998.

Panko, Ron, "Culture Clash," Best's Review, December 2000.

Panko, Ron, "Insurers Still Find Virtues in Mutuality," Life/Health BestWeek, 9-25-00

Panko, Ron, "Measuring the Mutuals," Best's Review (Life/Health Edition), February 1999.

Panko, Ron, "Beyond The Mutual," Best's Review (Life/Health Edition), August 1998.

- Pargeans, William M. and Robert L. Adams, "A Nation on the Brink of Demutualization," *Best's Review (Life/Health Edition)*, October 1999.
- Pehrson, Gordon O. Jr., John N. Gavin, Richard Bromley, R. Lee Christie, and Jonathan P. Biller, "Mutual Holding Companies as A Strategic Alternative for Mutual Insurers," *Journal of International Insurance*, Vol. 1, No. 1, 1999.
- Pehrson, Gordon O. Jr., Richard Bromley, R. Lee Christie, and Jonathan P. Biller, "Tax Considerations Involved in Establishing a Mutual Holding Company," *Insurance Tax Review*, September 1998.
- Pehrson, Gordon O. Jr., Richard Bromley, R. Lee Christie, and Jonathan P. Biller, "Federal Income Tax Consequences of Insurance Company Demutualizations," *Insurance Tax Review*, July 1998.
- Pietz, James M. and Ellen M. Doyle, "When mutual companies convert: pitfalls for policyholders," *Trial*, June 2001 (www.atla.org)
- Piontek, Stephen, "The Mutual Holding Company Guessing Game," *National Underwriter* (*Life & Health/Financial Services Edition*), June 1, 1998, p. 36.
- Player, Thomas A., "Fiduciary Obligations & Mutual Holding Companies," 1998. www.mmmlaw.com/Articles
- "Policyholder Ownership Debate Sharpens," Insurance Regulator, March 23, 1998.
- Pomerantz, Frederick J., "Iowa Offers New Wrinkle in Demutualization," *Best's Review* (*Life/Health*), November 1996.

Press, Alan, "Dissing the Chairman," *Probe*, July 22, 1998. To obtain a copy, call 800-477-7623.

- Radcliffe, Steve, "Why a Mutual Holding Company?". Available at www.aul.com/corporate/mhcpaper.html. Also published as "Reconstructing Mutuals" in *Best's Review (Life/Health Edition)*, March 1999.
- Salomon, Joel and Edward Heilbron, "Mutual Insurers Face Survival Choices in a Grow or Die Era," *National Underwriter (Life & Health/Financial Services Edition)*, Sept. 8, 1997.
- Saucer, Caroline, "A Holdout From the Mutual Holding Company Bandwagon," *Best's Review* (*Life/Health Edition*), April 1998.

Saucer, Caroline, "Small Group, Big Impact," Best's Review (Life/Health Edition), March 1998.

- Saucer, Caroline, "Debate Rages at Hearing On Principal's Conversion," *BestWeek*, February 2, 1998.
- Schiff, David, "How to Blow Money and Make Friends on Wall Street," *Schiff's Insurance Observer*, September 3, 2002.
- Schiff, David, "Revisiting 'The Company You Keep'," *Schiff's Insurance Observer*, December 9, 2001.
- Schiff, David, "Watch Kemper Very Closely," Schiff's Insurance Observer, June 15, 2001.
- Schiff, David, "The Insurance Company Stock-Option Bazaar," *Schiff's Insurance Observer*, May 22, 2001.
- Schiff, David, "Steal This Insurance Company!", Schiff's Insurance Observer, September 2000.
- Schiff, David, "Revolution at Standard Life Assurance Company," Schiff's Insurance Observer (Evening Telegraph Edition), February 11, 2000.
- Schiff, David, "The Revolution Was Not Televised," "It's Pronounced 'MONEY'," and "A Lesson in Fairness," *Schiff's Insurance Observer*, March 1999. To obtain a copy, call 212-724-2000.
- Schiff, David, "Who Owns a Mutual Insurance Company," "The Bucket's Got a Hole in It: Mutual Insurance Bait and Switch," "Provident Breaks Covenant with Policyholders," and "The Company You Keep," *Schiff's Insurance Observer*, May 1998. To obtain a copy, call 212-724-2000.
- Schiff, David, "Why We Hate Mutual Insurance Holding Companies," "The Big Fix: Mutual Insurance Holding Companies," and "The Revolution Will Be Televised," *Schiff's Insurance Observer*, February 1998. To obtain a copy, call 212-724-2000.
- Schroeder, Michael S. and Deborah Lohse, "Provision Included in Financial Bill May Cost Billions," *Wall Street Journal*, November 8, 1999.

Scism, Leslie and Deborah Lohse, "Mutual Insurers May Be Igniting a War Between Shareholders and Policyholders," *Wall Street Journal*, May 21, 1998.

- Scism, Leslie and Deborah Lohse, "Mutual Insurers Weigh Pitfalls Of Going Public," *Wall Street Journal*, April 10, 1998.
- Scism, Leslie, "Mutual-Life Insurers Study Going Public," *Wall Street Journal*, December 9, 1997.

Sloan, Allan, "The Feeling Isn't Mutual," Newsweek, June 8, 1998.

- Smallenberger, James A., "A Reply to Critics of Mutual Insurance Holding Companies," *Journal of Insurance Regulation*, Vol. 16, No. 1 (Fall 1997).
- Society of Actuaries, "U.S. and Canadian Demutualizations Postmortem," *Record of the Society of Actuaries*, Vol. 26, No. 3 (Chicago Meeting, October 2000). www.soa.org
- Society of Actuaries, "Mutual Companies Extinct in Canada?", *Record of the Society of Actuaries*, Vol. 25, No. 3 (San Francisco Meeting, October 1999). www.soa.org
- Society of Actuaries, "The Future of Mutual Life Insurance Companies," *Record of the Society* of Actuaries, Vol. 25, No. 3 (San Francisco Meeting, October 1999). www.soa.org
- Society of Actuaries, "Is the Mutual Life Insurance Company an Endangered Species?," *Record of the Society of Actuaries*, Vol. 25, No. 2 (Seattle Meeting, May 1999). www.soa.org
- Society of Actuaries, "Generally Accepted Accounting Principles: Implications for Mutual Insurance Holding Companies and Demutualizations," *Record of the Society of Actuaries*, Vol. 25, No. 1 (Atlanta Meeting, May 1999). www.soa.org
- Society of Actuaries, "Update on Mutual Holding Companies," *Record of the Society of Actuaries*, Vol. 24, No. 3 (New York Meeting, October 1998). www.soa.org
- Society of Actuaries, "Treatment of Closed Blocks in Demutualizations," *Record of the Society* of Actuaries, Vol. 24, No. 3 (New York Meeting, October 1998). www.soa.org
- Society of Actuaries, "The Roles of Investment Bankers and Actuaries in Mutual Company Restructuring," *Record of the Society of Actuaries*, Vol. 24, No. 3 (New York Meeting, October 1998). www.soa.org
- Society of Actuaries, "Mutual Insurance Holding Company Conversions: Lessons Learned," *Record of the Society of Actuaries*, Vol. 24, No. 1 (Maui Meeting, June 1998). www.soa.org
- Society of Actuaries, "Demutualization in an International Context," *Record of the Society of Actuaries*, Vol. 24, No. 1 (Maui Meeting, June 1998). www.soa.org
- Society of Actuaries, "Issues in Life Insurance Consolidations," *Record of the Society* of Actuaries, Vol. 22, No. 3 (Orlando Meeting, Oct. 1996). www.soa.org
- Society of Actuaries, "Survival Strategies for Mutuals," *Record of the Society of Actuaries*, Vol. 21, No. 1 (New Orleans Meeting, April 1995). www.soa.org

- Society of Actuaries, "Report of the Task Force on Mutual Life Insurance Company Conversion," *Transactions of the Society of Actuaries*, 1987.
- Standard & Poor's Ratings Information Services, "Insurance Capital Optimization: Reducing Risk Through the Creation of a Closed Block," October 5, 2001.
- Standard & Poor's Ratings Information Services, "Demutualization in the U.S. Life Industry," July 29, 1998.
- Stecker, Howard and Clint Stretch, "Mutual Insurance Holding Companies: A 'Sein' of the Times?", *Insurance Tax Review*, July 1998.
- Steigerwald, Donna, "Life after demutualization," The Actuary, June 2000.
- Stein, Robert W., "Going Public Is Serious," *Best's Review (Life/Health Edition)*, December 1998.
- Stein, Robert W., "Focus on Problems, Then the Structure," *Best's Review (Life/Health Edition)*, December 1997.
- Sternberg, Sy, "Why A Mutual Holding Company Is Right for New York Life," *National Underwriter (Life & Health/Financial Services Edition)*, June 15, 1998.
- Subramanian, Krupa, "Demutualization in the Insurance Industry," research proposal, 1999. www.aria.org/1999program/demutualization.htm

Sullivan, Steven, "Mutual Adversaries: The Debate Over Mutual Holding Companies," *Contingencies*, November/December 1998.

Sweeney, Paul, "Who Says It's a Fair Deal?", Journal of Accountancy, August 1999.

Swiss Re, "Are mutual insurers an endangered species?", sigma No. 4/1999. www.swissre.com

Tierney, Thomas R., "Watch Out for Mutual Holding Companies," *Contingencies*, May/June 1998, pp. 10-14.

Tillinghast-Towers Perrin, "Update on Canadian Demutualization," November 1999. www.towers.com/towers/pubs/ucd9911.html

Treaster, Joseph B., "Going Public Amid Sharks," New York Times, January 23, 2000.

Treaster, Joseph B., "Prudential Bill Raises Concern For Consumers," *New York Times*, June 19, 1998.

Treaster, Joseph B., "Prudential Conversion Raises Questions," *New York Times*, February 18, 1998.

Treaster, Joseph B., "Cold Shoulder to Insurance Customers," *New York Times*, June 8, 1997.

- Vader, Richard A. and Alexander M. Clark, "Compensating Policyholders," *Best's Review* (*Life/Health Edition*), May 1999.
- Wagner, Darryl G. and Patricia E. Matson, "Demutualization: Filling the 'GAAP' in Accounting," *The Financial Reporter*, February 2000.
- Ward, John T., "Demutualization of Insurers Likely to Bring Market Changes," *The Star-Ledger*, May 16, 1999. www.nj.com.
- West, Diane, "SEC Indicates Thinking On MHCs," National Underwriter (Life & Health/Financial Services Edition), May 25, 1998.
- West, Diane, "Provident Mutual Answers Mutual Holding Co. Skeptics," *National Underwriter* (*Life & Health/Financial Services Edition*), April 13, 1998.
- West, Diane, "Mutual Policyholder Rights Under Review," National Underwriter (Life & Health/Financial Services Edition), November 24, 1997.
- White, Janet, "A demutual affair," Benefits Canada, August 1999.
- Whitney, Sally, "Strategic Defense Initiatives," *Best's Review (Life/Health Edition)*, September 1999.
- Wilson, Alex H. and Eric James Higgins, "CEO Pay/Firm Performance Sensitivity in the Insurance Industry," *Journal of Insurance Issues*, Spring & Fall 2001.
- Wortman, J. John, "A Capital Question," *Best's Review (Life/Health Edition)*, March 1998.

Executive compensation and performance

Some critics believe that mutual company executives are pushing for mutual holding companies because they want higher pay for themselves, without the higher level of accountability that executives face at publicly-owned companies. Here's a reading list with different views about executive compensation and performance and the oversight provided by directors.

- Abowd, John M. and David S. Kaplan, "Executive Compensation: Six Questions That Need Answering," *Journal of Economic Perspectives*, Fall 1999.
- Acharya, Viral V., Kose John, and Rangarajan K. Sundaram, "On the optimality of resetting executive stock options," *Journal of Financial Economics*, July 2000.
- Aggarwal, Rajesh K. and Andrew A. Samwick, "Executive Compensation, Strategic Competition, and Relative Performance Evaluation: Theory and Evidence," *Journal of Finance*, December 1999.
- Aggarwal, Rajesh and Andrew Samwick, "The Other Side of the Tradeoff: The Impact of Risk On Executive Compensation," *Journal of Political Economy*, February 1999. Also available at www.nber.org as NBER Working Paper No. 6634.
- Baker, George P. and Brian J. Hall, "CEO Incentives and Firm Size," NBER Working Paper No. 6868, December 1998. www.nber.org.
- Barkema, Harry G. and Luis R. Gomez-Mejia, "Managerial Compensation and Firm Performance: A General Research Framework," *Academy of Management Journal*, April-May 1998, pp. 135-145.
- Barr, Stephen, "Pay for Underperformance?", CFO, July 1999.
- Bebchuk, Lucian Arye, Jesse M. Fried and David I. Walker, "Managerial Power and Rent Extraction in the Design of Executive Compensation," NBER Working Paper No. 9068, July 2002. www.nber.org
- Bebchuk, Lucian Arye and Christine Jolls, "Managerial Value Diversion and Shareholder Wealth," Harvard Law School, Center for Law, Economics, and Business, Discussion Paper No. 179, December 1998. http://papers.ssrn.com/paper.taf?abstract_id=10049
- Bhagat, Sanjai, Dennis C. Carey, and Charles M. Elson, "Director Ownership, Corporate Performance, and Management Turnover." http://papers.ssrn.com/paper.taf?abstract_id=134488.
- Bloom, Matt, "The Performance Effects of Pay Dispersion on Individuals and Organizations," *Academy of Management Journal*, February 1999, pp. 25-40.

- Brenner, Menachem, Rangarajan K. Sundaram, and David Yermack, "Altering the terms of executive stock options," *Journal of Financial Economics*, July 2000.
- Bryan, Stephen, LeeSeok Hwang and Steven Lilien, "CEO Stock-Based Compensation: An Empirical Analysis of Incentive-Intensity, Relative Mix, and Economic Determinants," *Journal of Business*, October 2000.
- Bryant, Adam, "American Pay Rattles Foreign Partners," *New York Times*, January 17, 1999, Section 4, p. 1.
- Bryant, Adam, "Executive Cash Machine," New York Times, November 8, 1998, Section 3, p. 1.
- Bryant, Adam, "Toughest Boards Are Biggest Stockholders," *New York Times*, June 7, 1998, Section 3, p. 7.
- Burton, Jonathan, "Human Frailties," Dow Jones Asset Management, Sept/Oct 1999.
- Byrd, John, Robert Parrino, and Gunnar Pritsch, "Stockholder–Manager Conflicts and Firm Value," *Financial Analysts Journal*, May/June 1998, pp. 14-30.
- Carpenter, Jennifer N., "Does Option Compensation Increase Managerial Risk Appetite?", Journal of Finance, October 2000.
- Chance, Don M., Raman Kumar, and Rebecca B. Todd, "The 'repricing' of executive stock options," *Journal of Financial Economics*, July 2000.
- Chidambaran, N.K. and Kose John, "Managerial Compensation and the Efficiency of Large Shareholder Monitoring." http://papers.ssrn.com/paper.taf?abstract_id=164503.
- Demsetz, Rebecca S. and Marc R. Saidenberg, "Looking beyond the CEO: Executive Compensation at Banks," FRB NY Staff Report No. 68, March 1999. http://papers.ssrn.com/paper.taf?abstract_id=163172.
- Donlan, Thomas G., "Out of the Park," Barron's, May 4, 1998, p. 71.
- "Executive Pay: Special Report," Business Week, April 19, 1999.
- "Executive Pay," Wall Street Journal, April 8, 1999, Section R.
- Fox, Justin, "For the Love of Stock Options," Fortune, August 2, 1999.
- Furniss, Richard A., Jr., "How Insurers Pay Their Top Executives," *Emphasis*, 1998/3. www.towers.com.

- Gasparino, Charles and Pui-Wing Tam, "Mutual-Fund Boards: No Comfort?", *Wall Street Journal*, February 5, 1999, p. C1.
- Gillan, Stuart L., "Has Pay for Performance Gone Awry? Views from a Corporate Governance Forum," *Research Dialogue No.* 68, July 2001. www.tiaa-crefinstitute.org
- Hall, Brian J. and Kevin J. Murphy, "Optimal Exercise Prices for Executive Stock Options," NBER Working Paper No. 7548, February 2000. www.nber.org. Also published in American Economic Review, June 2000.
- Hall, Brian J., "The Pay to Performance Incentives of Executive Stock Options," NBER Working Paper No. 6674, August 1998. www.nber.org.
- Hemmer, Thomas, Oliver Kim and Robert E. Verrecchia, "Introducing Convexity Into Optimal Compensation Contracts," *Journal of Accounting & Economics*, December 15, 1999.
- Huddart, Steven, Ravi Jagannathan, and Jane Saly, "Valuing the Reload Features of Executive Stock Options," NBER Working Paper No. W7020, March 1999. www.nber.org.
- Jaffe, Charles A., "An oversight on oversight," Boston Globe, February 28, 1999. www.boston.com/dailyglobe2/059/business/An_oversight_on_oversightP.shtml.
- Lavelle, Louis, "CEO Pay: The More Things Change...," Business Week, October 14, 2000.
- Leonhardt, David, "In the Options Age, Rising Pay (and Risk)," *New York Times*, April 2, 2000 Section 3, p. 1.
- Lowenstein, Roger, "Is Greed Good?", SmartMoney, June 1999.
- Marx, Leslie M., David Mayers and Clifford W. Smith, Jr., "Insurer Ownership Structure and Executive Compensation as Complements," *Journal of Risk and Insurance*, Sept. 2001.

Meulbroek, Lisa, "The Efficiency of Equity-Linked Compensation: Understanding the Full Cost of Awarding Executive Stock Options," *Financial Management*, Summer 2001.

- Millbourn, Todd T., "The Executive Compensation Puzzle: Theory and Evidence," Institute of Finance and Accounting working paper No. 235-1996, November 1997. http://papers.ssrn.com/paper.taf?abstract_id=99728
- Millstein, Ira M. and Paul W. MacAvoy, "The Active Board of Directors and Performance of the Large Publicly Traded Corporation," *Columbia Law Review*, June 1998.
- Morgenson, Gretchen, "Hidden Costs of Stock Options May Soon Come Back to Haunt," *New York Times*, June 13, 2000.

Morgenson, Gretchen, "Stock options are not a free lunch," Forbes, May 18, 1998, pp. 212-217.

Mulvihill, Michael, "A Question of Trust," August 1996. www.morningstar.net.

- Prendergast, Canice, "The Provision of Incentives in Firms," *Journal of Economic Literature*, March 1999.
- Quinn, Jane Bryant, "Playing the Stock-Options Lottery," Washington Post, October 3, 1999.
- Rappaport, Alfred, "New Thinking on How to Link Executive Pay with Performance," *Harvard Business Review*, March-April 1999.
- Reda, James F. and Stewart Reifler, "Repricing Stock Options: Current Trends and Dangers," *Journal of Compensation and Benefits*, November/December 1998.

Reingold, Jennifer, "Slimmer Rewards for a Job Poorly Done," Business Week, Feb. 15, 1999.

Schiff, David, "The Insurance Company Stock-Option Bazaar," *Schiff's Insurance Observer*, May 22, 2001.

"Share and share unalike," *The Economist*, August 7, 1999, pp. 18-20.

- Shleifer, Andrei and Robert W. Vishny, "A Survey of Corporate Governance," *Journal of Finance*, June 1997.
- Sloan, Allan, "Clean-Up Time," Newsweek, March 15, 1999.
- Smith, Geoffrey, "Why Fund Fees Are So High," Business Week, November 30, 1998.
- Tang, Thomas Li-Ping, David Shin-Hsiung Tang, Cindy Shin-Yi Tang, and Tamela Sue Dozier, "CEO Pay, Pay Differentials, and the Pay–Performance Linkage," *Journal of Compensation and Benefits*, November/December 1998.

Tergesen, Anne, "Making the Most of Your Stock Options," Business Week, May 31, 1999.

- Trumble, Robert R., Lisa Zifcak, and Thomas R. Tudor, "Executive Compensation and Stock Indexing: A Long-term Approach," *Journal of Compensation and Benefits*, November/December 1998.
- Westphal, James D., "Collaboration in the Boardroom: Behavioral and Performance Consequences of CEO-Board Social Ties," *Academy of Management Journal*, February 1999, pp. 7-24.
- Wyatt, Edward, "When Empty Suits Fill the Board Room," *New York Times*, June 7, 1998, Section 3, p. 1.