
By Mr. Constantino of Clinton (by request), petition of Joseph L. Richards and another for requiring corporations to report to their stockholders relative to compensation of corporation officers. Mercantile Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Two.

AN ACT PROVIDING THAT ALL CORPORATIONS DOING BUSINESS IN THE COMMONWEALTH, UPON APPLICATION TO THE ATTORNEY GENERAL BY A PROVEN STOCKHOLDER THEREOF, SHALL BE REQUIRED TO REPORT TO THEIR STOCKHOLDERS OF WHATEVER CLASS OR DESIGNATION THE SAME DATA RELATIVE TO THE COMPENSATION OF ALL OFFICERS THEREOF, AS IS REQUIRED BY THE SECURITIES EXCHANGE ACT OF THE CONGRESS OF THE UNITED STATES TO BE FILED WITH THE SECURITIES EXCHANGE COMMISSION AND SENT TO THE HOLDERS OF LISTED SECURITIES.

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

1 SECTION 1. All corporations doing business in the
2 commonwealth of Massachusetts, upon application to
3 the attorney general by a proven stockholder of the
4 one concerned, shall be required to report to their
5 stockholders, of whatever class or designation, in a
6 form essentially the same as that prescribed by the

7 Federal Securities Exchange Commission of the
8 United States, the same data relative to the compen-
9 sation of all officers as is required by the Securities
10 Exchange Act of the Congress of the United States
11 to be filed with the Securities Exchange Commission
12 and sent to the holders of listed securities.

1 SECTION 2. Upon such application, the attorney
2 general shall notify the corporation concerned that,
3 after sixty days has elapsed without receipt of a copy
4 of such a report, or upon further complaint by the
5 stockholder requesting such notification that such a
6 report has not been delivered, the attorney general
7 shall proceed to apply to the superior court of appro-
8 priate jurisdiction for an order requiring the corpo-
9 ration concerned to produce such a report for the
10 court and for the stockholders, which report shall be
11 certified by an auditor appointed by the court.

1 SECTION 3. All expenses of such court action, in-
2 cluding the expenses of the office of the attorney gen-
3 eral and the auditor, shall be chargeable to the corpo-
4 ration concerned and to its officers in default of the
5 corporation, and shall be collectable through the same
6 channels and under the same rules and conditions as
7 taxes due the commonwealth, and all reports shall be
8 subject to the same penalties as prescribed for tax re-
9 turns.