

Remembering Fred Perrotta

Fioravante “Fred” Perrotta died this past July. His *New York Times* obituary (July 28, 2012) focused on his public service as a key aide to Governor Rockefeller in the 1960s and later as part of Mayor Lindsay’s administration, including an unsuccessful run for city comptroller.

In between those two lives, however, Fred played a significant role in the insurance business – and in my career.

In the mid-1960s, Fred was appointed as a senior deputy in the Insurance Department. At the same time, I was a fledgling staff lawyer at The United States Life Insurance Company of



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New York, the oldest stock life insurance company in the US. In 1967, New York adopted the predecessor to current Article 15, the Holding Company Act. Shortly after the law was in effect, my employer became the first company in New York to create its own parent under the new law – USLIFE Corporation. One of its first acts was to hire Fred away from the Insurance Department as vice president and secretary to help set up the new company. To provide Fred needed assistance, I was transferred from the life company to the holding company.

Fred was instrumental in organizing the company and establishing its working relationship with regulators, forming the basis for future dealings under the holding company law. He also helped USLIFE start the pursuit of an aggressive capital raising and acquisition program that simply could not have been accomplished directly through the life company with all the investment and management restrictions under the Insurance Law. In other words, he helped USLIFE take advantage of the freedom provided by setting up a parent company. Today most company executives grouse about the restrictions of the holding company act, particularly the registration and disclosure aspects of the law. However, historically the holding company law was designed as much to help insurance com-



MAYOR JOHN V. LINDSAY, LEFT, AND FIORAVANTE G. PERROTTA IN 1969

panies address capital and expansion needs that could not be adequately addressed under capital and ownership restrictions of the insurance law, as it was to provide disclosure and control over insurance company ownership and management.

Fred’s stay at USLIFE was not long – about a year as I recall – but it was certainly an exciting and important time, not just for USLIFE as a new entity, but also for setting the practical ground rules for operating under the holding company law. It was exceptionally thrilling for me to have been a part of this new venture, and when Fred left to join the Lindsay administration, I was fortunate enough to assume his position as corporate secretary. Even though Fred was the person most responsible for USLIFE to eventually be in position to have its stock listed on the NYIE, it was my good fortune as corporate secretary to be on the floor of the exchange the day of the first trade in 1969 (My gosh! Was it really that long ago?)

Fred was well known to many in the insurance industry during his many years prior to retirement as a senior partner at the Rogers & Wells law firm. But the significance of his short stint at USLIFE, and his involvement with the holding company law, are not as well known or recognized.

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Fred, thank you for all you did for our business, and for all you taught us about the importance of communication and cooperation among regulators, management and investors to help the industry thrive. [A]