

HINGHAM INSTITUTION FOR SAVINGS

**NOTICE OF
ANNUAL MEETING OF STOCKHOLDERS
AND
PROXY STATEMENT**

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DATE
Thursday, April 30, 1992

TIME
4:00 P.M. E.S.T.

PLACE
South Shore Country Club
274 South Street
Hingham, MA 02043

April 2, 1992

Dear Stockholder:

You are cordially invited to the 1992 Annual Meeting of Stockholders of the Hingham Institution for Savings to be held on Thursday, April 30, 1992, at 4:00 p.m. local time, at the South Shore Country Club, 274 South Street, Hingham, Massachusetts 02043.

At the Annual Meeting you will be asked to consider and vote upon: (1) the election of a class of six Directors of the Bank to serve for a three-year term; and (2) the election of a Clerk of the Bank.

It is important that your shares be represented, whether or not you are able to attend. You are urged to read the enclosed Proxy Statement and the accompanying materials. Please sign and return the enclosed Proxy in the postage-paid envelope provided at your earliest convenience regardless of the number of shares you own. If you attend the Annual Meeting and wish to vote in person by ballot, you may withdraw the Proxy upon oral request.

We look forward to seeing as many of you as can attend this Annual Meeting.

Sincerely,



Paul E. Bulman
President and
Chief Executive Officer

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HINGHAM INSTITUTION FOR SAVINGS

55 Main Street
Hingham, Massachusetts 02043
(617) 749-2200

NOTICE OF 1992 ANNUAL MEETING OF STOCKHOLDERS

To the Holders of Common Stock of
Hingham Institution for Savings

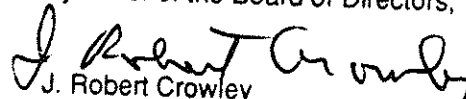
NOTICE IS HEREBY GIVEN that the 1992 Annual Meeting of Stockholders of Hingham Institution for Savings (the "Bank") will be held at the South Shore Country Club, 274 South Street, Hingham, Massachusetts 02043, on Thursday, April 30, 1992 at 4:00 p.m. local time (the "Meeting") for the following purposes, all as set forth in the attached Proxy Statement:

1. To elect a class of six Directors of the Bank, each to hold office until the 1995 annual meeting of stockholders of the Bank or special meeting of stockholders in lieu thereof, and until each of his or her successor is elected and qualified;
2. To elect a Clerk of the Bank, to hold office until the next annual meeting of stockholders or special meeting of stockholders in lieu thereof, and until his or her successor is elected and qualified; and
3. To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Board of Directors has fixed the close of business on March 12, 1992, as the record date for the determination of stockholders entitled to receive notice of, and to vote at, the Meeting and any adjournments or postponements thereof.

Your attention is called to the accompanying Proxy Statement.

By Order of the Board of Directors,


J. Robert Crowley
Clerk

Hingham, Massachusetts
April 2, 1992

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING REGARDLESS OF THE NUMBER OF SHARES YOU MAY HOLD. PLEASE FILL IN, SIGN AND DATE THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE WHICH REQUIRES NO POSTAGE IF MAILED WITHIN THE UNITED STATES. IT IS IMPORTANT THAT PROXIES BE MAILED PROMPTLY. IF YOU ATTEND THE MEETING, YOU MAY WITHDRAW ANY PROXY GIVEN BY YOU AND VOTE YOUR SHARES IN PERSON.

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HINGHAM INSTITUTION FOR SAVINGS
Hingham, Massachusetts 02043
(617) 749-2200

**SUMMARY OF PROXY STATEMENT
FOR THE
ANNUAL MEETING OF STOCKHOLDERS**

The following summary is not intended to be a complete statement of all material features of the matters being voted on by the stockholders of the Bank and is qualified in its entirety by the more complete information set forth elsewhere herein.

Date, Time and Place of Annual Meeting

The Annual Meeting of Stockholders ("Meeting") will be held at the South Shore Country Club, 274 South Street, Hingham, Massachusetts 02043, on Thursday, April 30, 1992 at 4:00 p.m., local time.

Purpose of the Annual Meeting

The purpose of the Meeting is: (1) to elect a class of six Directors of the Bank to serve for a three-year term; (2) to elect a Clerk of the Bank; and (3) to transact such other business as may properly come before the Meeting and any adjournment or postponement thereof.

Record Date and Required Stockholder Vote

The Board of Directors has fixed the close of business on March 12, 1992, as the record date (the "Record Date") for the determination of stockholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof. Only holders of record of the Bank's common stock at the close of business on the Record Date will be entitled to notice of, and to vote at, the Meeting or any adjournments or postponements thereof. At the close of business on the Record Date, there were 1,250,000 shares of the Bank's common stock issued and outstanding, and each such outstanding share is entitled to one vote. As of such date, there were approximately 688 holders of record of the Bank's common stock, which number does not reflect the number of persons or entities who hold shares in nominee or "street" name through various brokerage firms.

The presence, in person or by proxy, of at least a majority of the total number of outstanding shares of common stock of the Bank is necessary to constitute a quorum for the transaction of business at the Meeting. A quorum being present, the affirmative vote of a majority of the shares present and voting, in person or by proxy, is necessary to approve the election of the class of Directors to be elected and the election of a Clerk of the Bank. On March 5, 1992, the Directors, the nominees for Director and officers of the Bank beneficially owned in the aggregate 35.73 percent of the issued and outstanding shares of the Bank's common stock which may be voted at the Meeting.

**PROPOSAL ONE
ELECTION OF CLASS OF DIRECTORS**

The Bank's Amended and Restated Charter and By-laws provide that the Board of Directors shall be divided into three classes, with the Directors in each class serving for a term of three years. As the term of one class expires, a successor class is elected at each annual meeting of stockholders.

At the Meeting, stockholders of the Bank are being asked to elect six Directors of the Bank to serve until the 1995 annual meeting of stockholders or special meeting of stockholders in lieu thereof and until their successors are elected and qualified. The Board of Directors of the Bank has nominated Paul E. Bulman, J. Robert Crowley, Marion J. Fahey, Robert H. Gaughen, Richard B. Lane and John R. Lombardo for election as Directors. See "ELECTION OF DIRECTORS (Notice Item 1)."

The Board of Directors of the Bank recommends that the stockholders vote FOR the election of the six nominees as Directors of the Bank.

**PROPOSAL TWO
ELECTION OF CLERK**

Under Massachusetts law, the Clerk of the Bank is to be elected by the stockholders at an annual meeting or special meeting duly called for that purpose. At the Meeting, the stockholders of the Bank are being asked to reelect J. Robert Crowley, the nominee proposed by the Board of Directors, as Clerk of the Bank to serve until the 1993 annual meeting of stockholders, or special meeting in lieu thereof, and until his successor is elected and qualified. See "ELECTION OF CLERK (Notice Item 2)."

The Board of Directors of the Bank recommends that the stockholders vote FOR the election of J. Robert Crowley as Clerk of the Bank.

**PROXY STATEMENT
FOR THE
ANNUAL MEETING OF STOCKHOLDERS**

Accompanying this Proxy Statement is a Notice of the 1992 Annual Meeting of Stockholders (the "Meeting") of Hingham Institution for Savings (the "Bank") to be held at the South Shore Country Club, 274 South Street, Hingham, Massachusetts 02043, on Thursday, April 30, 1992, at 4:00 p.m. local time. Also enclosed is a form of proxy for the Meeting (and any adjournment or postponement thereof). This Proxy Statement and the enclosed form of proxy are furnished in connection with the solicitation of proxies by the Board of Directors of the Bank and are first being sent to stockholders on or about April 2, 1992. The enclosed proxy is for the use of holders of the Bank's common stock, \$1.00 par value per share (the "Common Stock"), of record at the close of business on March 12, 1992. Shares of Common Stock cannot be voted at the Meeting unless the owner of record is present to vote or is represented by proxy.

VOTING PROCEDURE

If you sign, date and return the enclosed proxy in time for the Meeting, your shares will be voted (unless you otherwise instruct) on all matters that may properly come before it. The proxy contains spaces in which you may insert instructions as to how your shares are to be voted with regard to electing a class of six Directors and the Clerk. If you specify instructions with respect to any of the proposals, your shares will be voted in accordance with your instructions. If no instructions are specified, your shares will be voted FOR the election as Directors of the nominees named herein, FOR the election as Clerk of the nominee named herein and with respect to any other matters as properly come before the Meeting in accordance with the best judgment of the holder(s) of said proxy.

Your proxy may be revoked at any time before it is exercised. Any stockholder attending the Meeting may vote in person even though he may have previously filed a proxy. Your proxy may be revoked by written notice to the Bank prior to the Meeting or at the Meeting prior to a vote.

At the close of business on March 12, 1992, 1,250,000 shares of Common Stock were entitled to vote on all properly presented matters. Only stockholders whose names appeared of record at the close of business on March 12, 1992 will be entitled to vote at the Meeting. The By-Laws, as amended, of the Bank, require that the holders of a majority in interest of all stock issued, outstanding and entitled to vote on matters at the Meeting be present in person or be represented by proxy at the Meeting in order to constitute a quorum for the transaction of business. Each share of Common Stock is entitled to one vote per share. The affirmative vote of the holders of a majority of the Common Stock constituting the quorum is required to elect the Directors and Clerk as set forth in Notice Items 1 and 2. Holders of the Common Stock do not have the right to cumulate their votes for the election of Directors or the Clerk.

ELECTION OF DIRECTORS

(Notice Item 1)

The Board of Directors of the Bank currently consists of sixteen members, fifteen of which have been elected by the stockholders of the Bank and one of which has been elected by the Board of Directors of the Bank. At the January 15, 1992 meeting of the Board of Directors, the Board voted to increase the size of the Board of Directors from fifteen to seventeen members. The one current vacancy on the Board is expected to be filled shortly, as further discussed below. In compliance with the By-Laws, as amended, which states that the Directors of the Bank are designated into three classes as equivalent in size as possible, with each such class of Directors being elected every third year at the annual or special meeting of stockholders held that year, the composition of the Board of Directors is as follows: (1) six first Class Directors with terms expiring at the 1995 annual meeting of stockholders or special meeting of stockholders in lieu thereof ("Class I Directors"); (2) six second Class Directors with terms expiring at the 1993 annual meeting of stockholders or special meeting in lieu thereof ("Class II Directors"); and (3) five third Class Directors with terms expiring at the 1994 annual meeting of stockholders or special meeting in lieu thereof ("Class III Directors"). Each Director of the class elected at such meeting will hold office until the annual meeting three years subsequent thereto, and until his or her successor is duly elected and qualified, or until his or her earlier resignation, death or removal. At last year's annual meeting, five persons were elected as Class III Directors.

On March 18, 1992, the Board of Directors of the Bank voted, pursuant to the powers granted to the Board of Directors under the By-laws, as amended, and Massachusetts law, to elect Stacey M. Page as a Class II Director to fill the vacancy in such class created by the increase in the number of Class II Directors from five to six members. Subject to providing the requisite prior notice to the Federal Deposit Insurance Corporation (which has the authority to disapprove of such election), Mrs. Page is to become a Director effective April 1, 1992. At the Meeting, six persons will be elected as Class I Directors to hold office until the annual meeting of the stockholders of the Bank held during the calendar year 1995, or special meeting of stockholders in lieu thereof, and until each of his or her successor is elected and qualified, or until each of his or her earlier resignation, death or removal.

The names of the nominees for Class I Directors and certain information received from them are set forth below. Four of the six nominees are currently Directors and each of the nominees has consented to serve if elected. If any nominee shall become unavailable for any reason, the shares represented by the enclosed Proxy will be voted in favor of such other person as the Board of Directors of the Bank may at the time recommend. The following table lists the name of each nominee, his or her age, period of service as a Director of the Bank (or as a Trustee of the Bank prior to December 20, 1988, the date on which it converted from a mutual form to a stock form organization), positions with the Bank, principal occupation and other directorships held. Each nominee has been engaged in his or her principal occupation for at least five years, unless otherwise indicated.

**Nominees For Election at the Meeting
with Terms Expiring at the 1995 Annual Meeting
"Class I Directors"**

<u>Nominee's Name and Age</u>	<u>Positions With Bank</u>	<u>Director or Trustee of Bank Since</u>	<u>Principal Occupation</u>
Paul E. Bulman (1) Age - 53	President, Chief Executive Officer and Director	1988	President and Chief Executive Officer of the Bank
J. Robert Crowley Age - 68	Clerk and Director	1971	Retired; former Marketing Manager of the Bank
Marion J. Fahey Age - 67	—	—	Retired; former Superintendent of Boston Public Schools
Robert H. Gaughen Age 77	—	—	Partner, law firm of Gaughen, Gaughen & Gaughen (2)
Richard B. Lane Age - 58	Director	1980	Partner, law firm of Lane, Lane and Kelley
John R. Lombardo Age - 58	Director	1982	Consultant; Process Systems International, Inc. (3)

(1) Mr. Bulman joined the Bank in June, 1988, as Executive Vice President. On February 15, 1989, he became President and Chief Executive Officer of the Bank. Before joining the Bank, Mr. Bulman was a Senior Vice President of the New Bedford Institution for Savings. From 1983 to 1987, Mr. Bulman was the Commissioner of Banks for the Commonwealth of Massachusetts.

(2) Until 1988, Mr. Gaughen was Chairman of the Board of East Weymouth Savings Bank. Mr. Gaughen and Robert H. Gaughen, Jr., a Director of the Bank, are father and son.

(3) Prior to becoming a consultant, Mr. Lombardo held the office of President, Chief Executive Officer and owner of High Vacuum Equipment Corp.

DIRECTORS NOT STANDING FOR ELECTION

The tables set forth below provide certain information with respect to those Directors who have been elected as Class II Directors and Class III Directors.

The tables list the name of each Director, his or her age, period of service with the Bank, positions with the Bank, principal occupation and other directorships held. Each individual has been engaged in his or her principal occupation for at least five years, except as otherwise indicated.

Directors Whose Terms Will Expire at the 1993 Annual Meeting "Class II Directors"

<u>Director's Name and Age</u>	<u>Positions With Bank</u>	<u>Director or Trustee of Bank Since</u>	<u>Principal Occupation</u>
John J. Flatley Age - 29	Director	1989	President, John J. Flatley Company; real estate development company
Vito A. Nardo Age - 58	Director	1983	President, BLT Spirits Inc.; retail liquor store
Warren B. Noble Age - 62	Director	1980	Treasurer, Noble Camera Shops, Inc. and Clerk, Noble Industries, Inc.
Stacey M. Page Age - 28	—	1992 (1)	President, Hingham Jewelers, Inc. (2)
Gerard W. Pyne Age - 60	Marketing Manager and Chairman of Board of Directors	1965	Marketing Manager of the Bank (3)
Russell G. Sears Age - 47	Director	1981	President and Chief Executive Officer, Developmental Expeditions, Inc.; firm specializing in courses for self development (4)

- (1) On March 18, 1992, the Board of Directors of the Bank, subject to providing the requisite prior notice to the Federal Deposit Insurance Corporation, elected Mrs. Page as a Class II Director effective April 1, 1992, to fill the vacancy created when it increased the number of Class II Directors from five to six members.
- (2) Since 1985, Mrs. Page was employed by Hingham Jewelers, Inc. in various capacities prior to becoming its President in January of 1990.
- (3) Mr. Pyne became Marketing Manager of the Bank in May, 1989. Prior to that, he was an accountant at John J. Pyne, CPA, P.C. Mr. Pyne and David L. Wightman, also a Director of the Bank, are brothers-in-law.
- (4) Since February of 1990, Mr. Sears has also been employed as an emergency medical technician by Norfolk-Bristol Ambulance Service and prior to that by Commonwealth Ambulance Service, Inc., and from 1985 through 1989, by Bay State Ambulance & Hospital Rental Service, Inc.

**Directors Whose Terms Will Expire at the
1994 Annual Meeting
"Class III Directors"**

<u>Director's Name and Age</u>	<u>Positions With Bank</u>	<u>Director or Trustee of Bank Since</u>	<u>Principal Occupation</u>
James V. Consentino Age - 71	Director	1991	Retired; Founder of J.V. Consentino Plastering & Construction Company
Robert H. Gaughen, Jr. Age - 43	Director	1991	Partner, law firm of Gaughen, Gaughen & Gaughen (1)
Herbert E. Soini Age - 66	Director	1978	Retired; former Senior Mechanical Engineer, Thermo Electron Corp., firm which designs, develops and manufactures environmental instruments and co-generation plants
David L. Wightman Age - 54	Director	1985	Vice President and Director, Alewife Boston, Ltd.; a Real Estate Management Firm; Vice President and Director of Alewife Land Corp.; a Real Estate Development Corp.; Vice President Administration, Construction Products Division, W. R. Grace & Co. (2)
Thomas H. Youngworth Age - 55	Director	1991	President and Chief Executive Officer, Bay State Metal Products, Inc.; manufacturer of diversified metal products and Hi-Tech Filter Corp. of America

(1) Until 1988, Mr. Robert H. Gaughen, Jr. was the President of East Weymouth Savings Bank. Mr. Robert H. Gaughen, Nominee for Director, and Mr. Robert H. Gaughen, Jr. are father and son.

(2) Mr. Wightman and Gerard W. Pyne, Chairman of the Board of Directors, are brothers-in-law.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors which met twelve times in 1991 has four principal committees: the Executive Committee, the Audit Committee, the Personnel Committee and the Stock Option Committee.

The Executive Committee, composed of six Director members, oversees the management policies and affairs of the Bank. This committee, with the approval of the full Board of Directors, makes nominations for Directors to be elected at each annual meeting of stockholders and considers stockholder proposals for such nominations. For information regarding procedures for submitting stockholder proposals, see "STOCKHOLDER PROPOSALS." This committee met twelve times in 1991. The current members of the Executive Committee are Paul E. Bulman, J. Robert Crowley, Gerard W. Pyne, Herbert E. Soini, David L. Wightman and Thomas H. Youngworth.

The Audit Committee, composed of four Director members, approves the Bank's annual audit and presents the audit report to the Board of Directors. This committee met two times in 1991. The current members of the Audit Committee are James V. Consentino, John P. Lombardo, Warren B. Noble and Russell G. Sears.

The Personnel Committee, composed of five Director members, reviews existing compensation and makes recommendations on executive compensation to the Board of Directors in order to ensure that the Bank is able to recruit and retain highly qualified personnel. This committee met once in 1991. The current members of the Personnel Committee are James V. Consentino, J. Robert Crowley, Robert H. Gaughen, Jr., John R. Lombardo and David L. Wightman.

The Stock Option Committee, composed of six Director members, meets as appropriate to review and administer the Bank's Stock Option Plan pursuant to its terms. This committee did not meet in 1991. The current members are Jon S. Davis, Richard B. Lane, John R. Lombardo, Vito A. Nardo, Herbert E. Soini, and Thomas H. Youngworth. See "EMPLOYEE BENEFIT PLANS-Stock Option Plan". Mr. Davis is not a nominee for re-election as a Class I Director and it is expected that he will not serve on the Stock Option Committee following the Meeting.

In 1991, none of the present Directors of the Bank attended fewer than 75% of the aggregate of (i) the total number of meetings of the Board of Directors and (ii) the total number of meetings held by committees thereof on which any such Director served (for such period of the year as he or she served).

EXECUTIVE COMPENSATION

The following table sets forth information as to the cash compensation of the three most highly compensated principal officers of the Bank whose total cash compensation exceeded \$60,000, and all principal officers as a group, for the year ended December 31, 1991.

Cash Compensation Table

<u>Name of Individual or Number of Persons in Group</u>	<u>Capacities in Which Served(1)</u>	<u>Cash Compensation</u>
Paul E. Bulman	President, Chief Executive Officer and Director (Executive Vice President)	\$122,663
Robert F. Cass	Vice President and Treasurer (Director)	\$ 80,040
Michael Donahue	Vice President - Lending	\$ 67,288
All principal officers as a group (4 persons)	DYNE - ?	\$329,145

(1) Present positions are indicated and former capacities appear in parentheses.

Directors' Fees

Directors of the Bank receive \$300 for each Board of Directors meeting they attend. No such fees were paid to members of the Board of Directors who are also full-time employees of the Bank. The Clerk of the Bank receives an annual fee of \$300.

Each member of the Executive Committee of the Board of Directors receives an annual fee of \$6,000. Each member of the Audit Committee of the Board of Directors receives \$100 for each committee meeting attended with the committee chairman receiving \$125 for each meeting attended. Each member of the Personnel Committee and the Stock Option Committee receives \$75 for each meeting attended, and the respective chairman of each committee receives \$100 for each committee meeting attended. None of these fees applies to any Director who is also an employee of the Bank.

Employment Agreements and Special Termination Agreements

Effective upon the date on which the Bank converted from mutual to stock form (the "Conversion") and the Board of Directors' later ratification, the Bank entered into employment agreements (the "Employment Agreements") and special termination agreements (the "Special Termination Agreements") with each of Paul E. Bulman, Robert F. Cass and Michael Donahue. Mr. Bulman entered into a revised Employment Agreement and Special Termination Agreement on February 15, 1989 to reflect his change in position to President and Chief Executive Officer. Mr. Bulman's agreements were effective as of such date. The Employment Agreements, as presently in effect, provide Messrs. Bulman, Cass and Donahue with benefits and a "Base Salary" of \$100,000, \$66,000 and \$51,000 respectively with adjustments made each year on April 1 by the Personnel Committee in accordance with the Bank's general policies as currently in effect and pursuant to the discretion of the Personnel Committee. Mr. Bulman's Employment Agreement is for a three-year term and the Employment Agreements for Mr. Cass and Mr. Donahue are for one-year terms, and all are extended automatically for successive one-year periods unless the Bank or the officer elects not to so extend before the expiration of the initial term and of each renewal term thereafter. The Bank is able to terminate the officer's employment without further liability for "cause," which includes, generally, deliberate dishonesty by the officer with respect to the Bank, conviction of the officer of any crime involving moral turpitude, or the gross and willful failure of the officer to perform a substantial portion of his duties and responsibilities. The Bank may also terminate such officer's employment without cause upon a two-third's vote of its Directors. In the event of termination of employment by the officer where there has been a breach of the Employment Agreement by the Bank, or termination by the Bank without cause (to the extent permitted by law), the officer would be entitled to receive his full salary for the duration of what would otherwise have been the term of his employment under the Employment Agreement. In addition, the officer would continue to be treated as an employee for purposes of the Bank's benefit plans (excluding cash bonus plans) for such period, or, if the officer is not treated as an employee for the purposes of any such plan, the Bank shall directly provide such benefits to the officer.

The Special Termination Agreements entered into with Messrs. Bulman, Cass and Donahue provide for severance payments if the officer's employment with the Bank is terminated following a change in control of the Bank (as defined in each of the Special Termination Agreements) under certain circumstances, including termination of the officer by the Bank or resignation by the officer following a reduction in compensation, a significant change in the officer's authority or responsibility, or a determination by the officer that the officer is unable to exercise his prior authority or responsibility as a result of such change in control. In such event, Messrs. Bulman, Cass and Donahue would each receive an amount equal to approximately three times his average annual compensation over the five years prior to the change in control. Under the Special Termination Agreement the officer would be entitled to collect benefits under either his Employment Agreement or the Special Termination Agreement, but not under both agreements.

EMPLOYEE BENEFIT PLANS

Benefits

Insurance and Medical Plans. The Bank's full-time officers and employees, without contribution by or expense to them (except for medical insurance, which requires a portion of the premiums to be paid by the officer or employee), are provided with master medical, life, travel accident, and salary continuation insurance under group plans which are available generally and on the same basis to all qualified full-time employees. Medical insurance for spouses and certain dependents is also provided. The Bank also maintains and funds a short-term and long-term sick leave plan.

The following table sets forth expenses under all insurance and medical plans for the individuals and the group named in the Cash Compensation Table entitled to such benefits.

<u>Name of Individual</u>	<u>Annual Expenses For Year Ended December 31, 1991</u>
Paul E. Bulman	\$ 1,989
Robert F. Cass	\$ 6,263
Michael Donahue	\$ 6,039
All principal officers as a group (4 persons)	\$19,227

Pension Plan. The Bank provides a retirement plan (the "Plan") for all eligible employees ("Participants") through the Savings Banks Employees Retirement Association ("SBERA"), an unincorporated association of savings banks operating within Massachusetts and any other organization providing services to or for savings banks. SBERA's sole purpose is to enable the participating employers to provide pensions and other benefits for their employees.

The following table sets forth the estimated accrual under the plan for the individuals named in the Cash Compensation Table who are entitled to such benefits, as if any such person would have retired at the end of the year indicated and then began collecting benefits at age 65.

<u>Name of Individual</u>	<u>Estimated Accrual For Year Ended December 31, 1991</u>
Paul E. Bulman	\$20,942
Robert F. Cass	\$ 7,675
Michael Donahue	\$13,024

Eligible Employees

Each employee reaching the age of 21 and having completed at least 1,000 hours of service per twelve-month period beginning with such employee's date of employment becomes a Participant in the Plan. All Participants become fully vested after three (3) years of service or age 62 if earlier.

The Plan is a qualified defined benefit plan which does not require the employee to make any contribution to become a Participant or to earn benefits under the Plan. The retirement benefit provided by the Bank is designed to supplement a participant's Social Security benefit. The retirement benefit at age 65 is based on the average of the highest three consecutive years of compensation (the "Average Compensation") in the Participant's years of employment with the Bank. Participants who were actively employed on November 1, 1989 and who were Participants in the Plan prior to November 1, 1989, will receive the greater of the benefit earned by them as of October 31, 1989 or the benefit earned by applying the benefit formula described below to all years of service with the Bank ("Years of Service"). The benefit formula adopted by the Bank provides for a benefit at age 65 equal to 1.25% Average Compensation for each Year of Service up to 25 Years of Service plus .6% of the excess of Average Compensation over "covered compensation" for the Participant's age for each Year of Service up to 25 years. "Covered compensation" refers to the amount of wages taken into account for Social Security Benefit calculation purposes. Normal retirement age under the plan is 65; a reduced early retirement benefit is payable from age 50 to age 65 under certain conditions. At October 31, 1991, the latest date for which information is available, the present value of accumulated benefits exceeded the market value of the related available assets by approximately \$200,000.

The following table illustrates annual pension benefits for retirement at age 65 under the most advantageous Plan provisions available for various levels of compensation and years of service. The figures in this table are based upon the assumption that the Plan continues in its present form and upon certain other assumptions regarding social security benefits and compensation trends.

<u>Average Compensation (1)</u>	<u>Annual Pension Benefit (2) Based on Years of Service</u>			
	<u>10 Years</u>	<u>15 Years</u>	<u>20 Years</u>	<u>25 Years</u>
\$ 20,000	\$ 2,601	\$ 3,902	\$ 5,202	\$ 6,503
40,000	6,301	9,452	12,603	15,753
60,000	10,001	15,002	20,003	25,003
80,000	13,701	20,552	27,403	34,253
100,000	17,401	26,102	34,803	43,503
120,000	21,101	31,652	42,203	52,753
140,000	24,801	37,201	49,603	62,003
150,000	26,651	39,977	53,303	66,628
160,000	28,501	42,752	57,003	71,253
170,000	30,351	45,527	60,703	75,878
200,000	35,901	53,852	71,803	89,753
222,220 (3)	37,603	56,405	75,207	94,008

- (1) Average compensation for purposes of this table is based on the three years immediately preceding retirement.
- (2) Benefits computed on the basis of a straight-life annuity and on age 65 retirement in 1991.
- (3) Federal law does not permit defined benefit pension plans to recognize Compensation in excess of \$222,220 for Plan years beginning in 1991 (11/1/91 for SBERA).

In addition to the pension benefit described above, which is funded entirely by contributions from the Bank, each Participant in the Plan may make contributions to the Plan on a purely voluntary basis.

The following table sets forth estimated retirement benefits under the Plan at normal retirement dates for certain officers of the Bank who are eligible for participation in the Plan, based upon assumptions comparable to those referred to above.

<u>Name of Individual</u>	<u>Years of Credited Service at Age 65</u>	<u>Estimated Annual Pension Benefit at Age 65</u>
Paul E. Bulman	15	\$29,842
Robert F. Cass	24	\$29,562
Michael Donahue	36	\$23,177

Stock Option Plan

Before the Conversion, the Board of Trustees of the Bank had adopted the 1988 Stock Option Plan (the "Stock Option Plan") for the benefit of the Bank's officers, other employees and "Eligible Directors" (defined as Directors who are also full-time employees of the Bank). The purpose of the Stock Option Plan is to provide a performance incentive to officers, employees and Eligible Directors by facilitating their purchase of a stock interest in the Bank. Under the Stock Option Plan, 125,000 shares of Common Stock have been reserved for possible issuance pursuant to options granted thereunder. The Board of Directors ratified the Stock Option Plan on February 15, 1989. The Stock Option Plan was then ratified at the 1989 Annual Meeting of Stockholders, and approved by the Commissioner of Banks of the Commonwealth of Massachusetts on May 8, 1989, at which time it became effective.

The Stock Option Plan provides for the grant of options that are intended to qualify as "incentive options" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), as well as non-qualified options. The market value of all stock available for purchase for the first time in any year under all incentive stock options granted to any person under the Stock Option Plan is limited to \$100,000. For this purpose, the value of the stock is determined at the date of grant of each such option. The Stock Option Plan is administered by the Stock Option Committee of not less than three disinterested administrators who cannot receive options granted by the Stock Option Committee. Members of the Stock Option Committee are chosen upon recommendation by the Bank's President to the Executive Committee, with final approval by the Board of Directors. The Stock Option Committee has authority to select the Eligible Directors, officers and other employees to whom options may be granted, whether such options will be incentive options, the number of shares of Common Stock subject to such options and their terms.

For federal income tax purposes, no gain or loss will be recognized by the Bank or the optionee as a result of the grant or exercise of an incentive stock option, and any gain realized by an optionee at the time of sale of the shares acquired upon exercise of an incentive stock option will be treated as a capital gain, provided that such shares are held by the optionee for at least one year after the date of exercise and two years after the date of grant. However, the amount by which the fair market value of the stock at the time of the exercise exceeds the exercise price under the option may be subject to the alternative minimum tax, if otherwise applicable to the optionee. Only in the event that an optionee disposes of these shares prior to the close of the holding periods will the Bank be entitled to claim a tax deductible expense, in an amount equal to the difference between the fair market value of the shares on the date of exercise and the exercise price.

In the case of non-qualified stock options, an optionee will be deemed to receive income taxable at ordinary income rates upon exercise of a non-qualified stock option in an amount equal to the difference between the exercise price and the fair market value of the stock on the date of exercise. The amount of such taxable income will be a deductible expense to the Bank.

The Stock Option Committee of the Bank may grant options under the Stock Option Plan up until the tenth anniversary after May 8, 1989. Options granted under the Stock Option Plan may be exercised only by the optionee, are not generally transferable and may be exercised during the life of the optionee only by the optionee. Any options granted under the Stock Option Plan shall be proportionately adjusted with respect to price and number of shares in the event of a stock split, combination or dividend paid in stock. The Board of Directors may, at any time, terminate the Stock Option Plan. In addition, subject to regulatory approval, the Board of Directors may amend the Stock Option Plan; provided, however, that stockholder approval would be required where changes in amounts, prices, eligibility, terms or benefits are affected, and no termination or amendment may adversely affect the rights of an optionee without such optionee's prior consent.

All options granted under the Stock Option Plan are required to have an exercise price per share equal to at least the fair market value of a share of stock on the date the option is granted. No option granted under the Stock Option Plan is exercisable after the tenth anniversary of the date on which the option was granted or, if earlier, the termination of the optionee's employment for cause, one year following the termination of the optionee's employment on account of death or disability and 90 days following the termination of the optionee's employment for any other reason. Payment for shares purchased pursuant to an option may be made in cash or check. To facilitate the exercise of options, the Stock Option Committee may establish a loan program on such terms and conditions as it deems appropriate, which loans may not use as collateral any stock issued or issuable pursuant to options granted under the Stock Option Plan.

Subject to the foregoing, any options will be exercisable at such time or times as the Stock Option Committee determines at the grant of the option. Massachusetts banking regulations also prohibit the exercise of any such options for three years following the Bank's Conversion without prior written approval of the Bank Commissioner for special circumstances. However, all options will become exercisable in the event of a "Change in Control" (as defined in the Stock Option Plan). Because all outstanding options will be exercisable upon a Change in Control, it may be more expensive for companies or persons to acquire control of the Bank. This could result in deterrence of offers to the stockholders which might be viewed by such stockholders to be in their best interest and which might be at prices in excess of the then market value of the Bank's stock.

As of December 31, 1991, options for 90,500 shares of Common Stock, none of which have been exercised, had been granted to 11 persons pursuant to the Stock Option Plan. No options were granted by the Bank during the fiscal year ending December 31, 1991.

Employees of the Bank

As of December 31, 1991, the Bank had 41 full-time and 10 part-time employees. The Bank considers its employee relationships to be excellent.

CERTAIN TRANSACTIONS WITH MANAGEMENT AND ASSOCIATES

Indebtedness of Management and Associates

The Bank makes loans and extends credit to Directors and officers of the Bank, and their associates, subject to the limitations of Massachusetts General Laws, Chapter 168, Section 19, the administrative guidelines issued thereunder and subject to the provisions of Federal Deposit Insurance Corporation regulations.

All such loans, as well as all loans to other employees of the Bank, are made in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unaffiliated persons and do not involve more than the normal risk of collectibility or present other unfavorable features to the Bank.

Other Transactions

In addition to banking and financial transactions, the Bank may engage in additional transactions with, or use products or services of, Directors, nominees for director, principal officers, principal shareholders or various organizations in which such persons may have interests or of which such persons may be directors, nominees for director, officers, partners or principal stockholders. With respect to the year ended December 31, 1991, any amounts so involved have in no case been material in relation to the business of the Bank, and it is believed that other than as described below, the amount involved in any such transaction or series of transactions did not exceed \$60,000 and was not otherwise material in relation to the business of any such person or other organization.

Since January 1, 1991, the Bank has paid legal fees in the amount of approximately \$122,490 to the law firm of Gaughen, Gaughen & Gaughen of which Robert H. Gaughen, Jr., a Director of the Bank, and Mr. Robert H. Gaughen, a nominee for Director of the Bank, are partners. During the fiscal year ending December 31, 1991, the fees paid to Gaughen, Gaughen & Gaughen exceeded 5% of its gross revenues for that fiscal year. Such fees have been paid in connection with routine real estate matters on behalf of the Bank and have been reasonable in relation to the services provided. Moreover, most of such fees have been for matters in which the Bank was reimbursed by borrowers for legal fees. It is expected that the Bank will continue to have similar transactions with, and use products or services of, Gaughen, Gaughen & Gaughen in the future.

It is expected that any future transactions between the Bank and its Directors, officers, holders of 5% or more of the shares of any class of its voting stock or any affiliates thereof would be on terms no less favorable to the Bank than could be obtained by the Bank in arm's-length negotiations with unaffiliated third parties.

**PRINCIPAL STOCKHOLDERS;
SECURITIES OWNERSHIP OF MANAGEMENT**

The following table sets forth information with respect to ownership of the Common Stock, the Bank's only voting security, by the Bank's Directors and nominees for Director as of March 5, 1992. Information presented as to the Common Stock includes the number of shares beneficially owned by such person and the percentage of such number of shares to the total amount of Common Stock outstanding.

Amount and Nature of Beneficial Ownership of Common Stock

<u>Name</u>	<u>Number of Shares and Nature of Ownership(1)</u>	<u>Percent of Class</u>
Paul E. Bulman	25,629 (2)	1.99
James V. Consentino	95,300 (3)	7.41
J. Robert Crowley	2,985 (4)	0.23
Jon S. Davis	2,814 (5)	0.22
Marion J. Fahey	5,500	0.43
John J. Flatley	550 (6)	0.04
Robert H. Gaughen	98,350	7.65
Robert H. Gaughen, Jr.	67,364 (7)	5.24
Richard B. Lane	5,882 (8)	0.46
John R. Lombardo	1,892	0.15
Vito A. Nardo	1,997 (9)	0.16
Warren B. Noble	9,677 (10)	0.75
Stacey M. Page	1,000	0.08
Gerard W. Pyne	9,266 (11)	0.72
Russell G. Sears	546 (12)	0.04
Herbert E. Soini	2,000 (13)	0.16
David L. Wightman	5,566 (14)	0.43
Thomas H. Youngworth	81,700	6.36
Directors, nominees for Director and officers as a group (28 persons)	<u>459,034</u> (15)	<u>35.71</u>

(1) Sole voting and investment power unless otherwise noted.

(2) Includes option to purchase 14,000 shares of Common Stock which is currently exercisable. Mr. Bulman and his wife own 7,782 shares as joint tenants. Mr. Bulman's wife owns 513 shares as tenants in common with another member of the household. In addition, 770 shares are held in trust for members of Mr. Bulman's immediate family.

- (3) Mr. Consentino and his wife own 23,500 shares as joint tenants.
- (4) Mr. Crowley and his wife own 2,600 shares as joint tenants. Mr. Crowley's wife holds 264 shares in trust for members of Mr. Crowley's family.
- (5) Mr. Davis and his wife own 56 shares as joint tenants, and they hold 2,556 shares in trust for members of their immediate family.
- (6) Mr. Flatley and the Thomas J. Flatley Trust own 300 shares jointly.
- (7) Mr. Gaughen and his wife own 11,764 shares as joint tenants.
- (8) Mr. Lane's wife owns 3,382 shares of record.
- (9) Mr. Nardo and his wife own 1,869 shares as joint tenants.
- (10) Mr. Noble and his wife own 2,000 shares as joint tenants.
- (11) Mr. Pyne and his wife own 7,121 shares as joint tenants which includes option to purchase 2,000 shares of Common Stock that is currently exercisable.
- (12) Mr. Sears' wife owns 290 shares of record.
- (13) Mr. Soini's wife owns 1,000 shares of record.
- (14) Mr. Wightman's wife owns 2,366 shares of record.
- (15) Includes options to purchase 19,460 shares of Common Stock which are currently exercisable by non-Director officers, but does include options to purchase 16,000 shares of Common Stock which are currently exercisable by Directors.

**PRINCIPAL STOCKHOLDERS;
PERSONS OWNING MORE THAN FIVE PERCENT OF COMMON STOCK**

The following table sets forth information with respect to the ownership of the Common Stock by persons (including any "group" as that term is used in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) who are known to be the beneficial owners of more than five percent (5%) of the Common Stock of the Bank as of March 5, 1992. Information presented as to the Common Stock includes the number of shares beneficially owned by such person and the percentage of such number of shares to the total amount of Common Stock outstanding.

Amount and Nature of Beneficial Ownership of Common Stock

<u>Name and Address</u>	<u>Number of Shares and Nature of Ownership(1)</u>	<u>Percent of Class</u>
James V. Consentino 252 Neck Street North Weymouth, MA 02191	95,300	7.62
Robert H. Gaughen 132 Mt. Vernon Road West East Weymouth, MA 02189	98,350	7.87
Robert H. Gaughen, Jr. 164 Pond Street Cohasset, MA 02025	67,364	5.39
Thomas H. Youngworth 80 Myrtle Street North Quincy, MA 02171	81,700	6.54

(1) Sole voting and investment power

The Bank has received on file a copy of an Ownership Statement on Form F-11, dated October 26, 1989, for Peter F. and William S. O'Connell (the "Form F-11"). The Form F-11 reports that as of October 26, 1989, Peter O'Connell and William O'Connell are the beneficial owners of 31,750 and 31,250 shares, respectively, of the Bank's Common Stock, or 2.54% and 2.50%, respectively, of the outstanding shares of Common Stock. The Form F-11 states that neither Peter nor William O'Connell concede that they possess any intention to act in concert in connection with their beneficial ownership of shares in the Common Stock.

ELECTION OF CLERK

(Notice Item 2)

At the Meeting, the Clerk is to be elected to hold office until the next annual meeting and until his or her successor is duly elected and qualified. It is the responsibility of the Clerk to maintain a complete and accurate record of all votes and proceedings of the stockholders and of the Board of Directors at their respective meetings, as well as to perform such additional duties as the Board of Directors may from time to time determine.

The Board of Directors recommends that J. Robert Crowley be elected as Clerk of the Bank, to serve until the next annual meeting and until his successor is duly elected and qualified or until his earlier resignation, death or removal.

Mr. Crowley has served as Clerk since being elected by the Bank's former Board of Trustees on September 1, 1988. On May 1, 1989, Mr. Crowley retired after serving as the Bank's Marketing Manager for six years. Mr. Crowley was a member of the Board of Trustees since 1971, and is currently a member of the Board of Directors.

Unless contrary instructions are given, shares represented by proxies solicited by the Board of Directors will be voted FOR the election of J. Robert Crowley as Clerk of the Bank to serve until the next annual meeting or special meeting of stockholders in lieu thereof and until his successor is duly elected and qualified or until his earlier resignation, death or removal. The affirmative vote of the holders of a majority of shares constituting the quorum at the Meeting is required to elect the Clerk of the Bank.

INDEPENDENT AUDITORS

The Board of Directors has selected the firm of KPMG Peat Marwick ("Peat Marwick"), independent public accountants, to be the independent auditors of the financial statements of the Bank for the fiscal year ending December 31, 1992. Peat Marwick has no direct or indirect financial interest in the Bank nor has it had any connection with the Bank in the capacity of promoter, voting trustee, director, officer or employee. A representative of Peat Marwick is expected to be present at the Meeting to respond to appropriate questions and will have the opportunity to make a statement if he so desires.

Peat Marwick has served as independent auditors of the Bank since the fiscal year ending December 31, 1990. Prior to that the firm of Wolf & Company of Massachusetts, P.C. ("Wolf & Company") had served as the independent auditors of the Bank for more than ten years.

The consolidated financial statements of the Bank as of December 31, 1991 and 1990 and for the years then ended have been audited by Peat Marwick. The financial statements of the Bank as of December 31, 1989 and for the year ended December 31, 1989 have been audited by Wolf & Company. These financial statements are included in the Bank's 1991 Annual Report which accompanies this Proxy Statement.

OTHER MATTERS

(Notice Item 3)

The Board of Directors knows of no business which will be presented for consideration at the Meeting other than that set forth in this Proxy Statement. The enclosed form of proxy confers upon each proxy holder discretionary authority to vote the shares represented by such proxy in accordance with his or her best judgment with respect to any other matter which may be properly presented for action at the Meeting.

STOCKHOLDER PROPOSALS

No person who intends to present a proposal for action at the 1993 Annual Meeting of the Stockholders of the Bank may seek to have the proposal included in the Proxy Statement or form of proxy for the meeting unless that person (a) is a record or beneficial owner of shares of Common Stock at the time the proposal is submitted and such person shall continue to own such shares through the date on which the meeting is held, (b) notifies the Bank in writing of his intention to appear personally or by appropriate representative at that meeting to present his proposal for action, and (c) submits his proposal so that it is received at the Bank's principal executive office on or before February 18, 1993 for inclusion in the appropriate proxy statement and form of proxy relating to such meeting. The Bank's By-Laws provide that any Director nominations and new business submitted by stockholders must be filed with the Clerk of the Bank at least 60 days, but not more than 150 days, prior to the date of the meeting, regardless of any postponements, deferrals or adjournments of that meeting to a later date. If, however, less than 70 days notice of prior public disclosure of the date of the scheduled annual meeting is given or made, notice by the stockholder to be timely must be so delivered or received not later than the close of business on the tenth day following the earlier of the day on which such notice of the date of the scheduled annual meeting was mailed or the day on which public disclosure was made. No other nominations or proposals by stockholders shall be acted upon at the meeting. Any such proposal should be mailed to: Clerk, Hingham Institution for Savings, 55 Main Street, Hingham, MA 02043.

Even if the foregoing requirements are satisfied, a person may only submit a maximum of two proposals of not more than 300 words each for inclusion in the proxy materials and, under certain circumstances enumerated in the rules of the Federal Deposit Insurance Corporation relating to the solicitation of proxies, the Bank may be entitled to omit the proposal and any statement in support thereof from its proxy statement and form of proxy.

EXPENSES OF SOLICITATION

The Bank will bear the cost of preparing, assembling and mailing the Notice, Proxy Statement and form of proxy for the Meeting. Solicitation of proxies will be primarily through the use of mails, but regular employees of the Bank may solicit proxies by personal interview, by telephone or by telegraph without additional remuneration therefor. The Bank will also provide persons, firms, banks and corporations holding shares in their names, or in the names of their nominees, which in either case are beneficially owned by others, with proxy material for transmittal to such beneficial owners and will reimburse such record holders for their reasonable expenses in so doing.

The Board of Directors would like to have you attend the Meeting in person. However, whether or not you expect to attend the Meeting, it is very important that your shares be represented. Therefore, it would be helpful if you would sign and date the enclosed form of proxy and promptly return it. If you attend the Meeting, you may, if you wish, withdraw any proxy previously given and vote your shares in person.

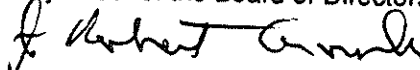
ANNUAL DISCLOSURE STATEMENTS

At the main office and at each branch office of the Bank there are annual disclosure statements of the Bank available to the public pursuant to regulations of the Federal Deposit Insurance Corporation. Such statements may be obtained without charge, by any stockholder of the Bank upon written request addressed to the President, Hingham Institution for Savings, 55 Main Street, Hingham, Massachusetts 02043. These annual disclosure statements contain financial and other information as filed with the Federal Deposit Insurance Corporation for the fiscal years ended December 31, 1989, December 31, 1990, and December 31, 1991.

STOCKHOLDERS' ANNUAL REPORT; FORM F-2

The Bank's Annual Report to Stockholders for the fiscal year ended December 31, 1991 accompanies this Proxy Statement. In addition, a copy of the Bank's annual report on Form F-2 for the fiscal year ended December 31, 1991, as filed with the Federal Deposit Insurance Corporation, may be obtained without charge, by any stockholder of the Bank upon written request addressed to Paul E. Bulman, President, Hingham Institution for Savings, 55 Main Street, Hingham, MA 02043.

By Order of the Board of Directors,



J. Robert Crowley
Clerk

Dated: April 2, 1992

