

November 13, 1956

SUBJECT: INSURANCE

WITHDRAWN

TO ALL AUTHORIZED LIFE INSURANCE COMPANIES

Gentlemen:

Re: Regulation No. 33, Reporting and Allocation of Income and Expenses of Life Insurers

A question has been presented to this Department concerning the acceptability of reporting first-year industrial and group compensation to agents on a plan other than commissions as renewal compensation in Note A of Exhibit 5. This method of reporting is acceptable (1) if in accordance with the option contained in the instructions for Exhibit 1, your company is following a similar practice with respect to first-year industrial and group commissions, and (2) where an appropriate footnote to Note A of Exhibit 5 indicates that first-year industrial and group compensation is included as renewal.

Very truly yours,

[SIGNATURE]

Julius Sackman

Chief of Life Bureau