

February 8, 1965

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter 5(1965)

TO ALL DOMESTIC INSURERS

The Department's Circular Letter of Septmeber 28, 1955, interpreting the sentence in the last paragraph of subsection 7 of Section 81 of the Insurance Law which reads

"No real property shall be acquired by any domestic insurer pursuant to paragraphs (a), (b), (d) or (e) of this subsection seven except with the approval of the superintendent."

is revised to delete the reference therein to the limitation of "\$ 10,000, whichever is the greater".

As so revised, the Department's present construction of the above quoted statutory provision is that any addition or expenditure made in any calendar year in respect of any existing building which, according to recognized accounting principles, should be capitalized and which, when added to the aggregate of all such additions and expenditures previously made during the same calendar year, exceeds an amount equal to 5% of the book value of such building, requires the approval of the Superintendent of Insurance.

[SIGNATURE]

Superintendent of Insurance