



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
160 WEST BROADWAY  
NEW YORK, NEW YORK 10013

**NOTE: WITHDRAWN EFFECTIVE OCTOBER 11, 2002**

---

**Circular Letter No. 19 (1995)  
November 21, 1995**

**TO: All Life Insurance Companies Authorized to Write Life Insurance and Annuities**

**RE: Expense Allowance Payment Plans**

The Department has reviewed Regulation 49 (11 NYCRR 11) and has determined that the rules covering expense allowance payments on policies subject to Section 4232(b) will be changed as follows:

1. The 75% per policy limitation contained in Circular Letter No. 4 (1983) Section G, Part 3, shall no longer apply. For those premiums previously covered by the 75% limit, the Superintendent will now approve expense allowance payment plans in accordance with Regulation 49, Section 11.3(d). This change will provide uniformity in the application of expense allowance payment maximum limits for all life insurance and annuity contracts other than single premium policies or contracts.
2. In order to allow companies to monitor compliance of their products on the same levels and to treat policies consistently, the Superintendent will now allow expense allowance payment plans which set compliance on an agent basis. Until now, expense allowance payment plans covered under the guidelines of Circular Letter No. 4 (1983) were required to provide monitoring on a policy basis. Monitoring of these plans will now be subject to the rules contained in Regulation 49, Section 11.4(c).

All companies wishing to revise current expense allowance payment plans to include these changes must submit a revised plan to the Superintendent as required by Regulation 49, Section 11.5.