

September 26, 1979

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 24 (1979)

TO: ALL AUTHORIZED LIFE INSURANCE COMPANIES

SUBJECT: APPLICABILITY OF SUBSECTION 7 OF SECTION 213

We have been advised that some life insurance companies may not be aware of the fact that subsection 7 of Section 213 of the New York Insurance Law applies to all of the business of life insurers and not merely to life insurance. Be advised therefore, that except as provided in subsection 8 of Section 213, the paying or allowing, or permitting to be paid or allowed, of any bonus, prize or reward or any increased or additional commissions or compensation of any kind whatsoever based upon the aggregate number of policies written or paid for or based upon the volume of any new life insurance, accident and health insurance or annuity business, is a violation of subsection 7 of Section 213.

All companies are directed to conform their operations to the requirements of subsection 7 of Section 213 as indicated above.

Kindly acknowledge receipt of this letter to Alvin H. Alpert, Chief of the Life Insurance and Companies Bureau at the address shown above.

Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance