



NEW YORK STATE
DEPARTMENT of
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Maria T. Vullo
Acting Superintendent

June 10, 2016

Richard M. Scherer, Jr., Esq.
Lippes Mathias Wexler Friedman LLP
50 Fountain Plaza, Suite 1700
Buffalo, New York 14202

Re: Plan of Implementation Pursuant to N.Y. Gen. Oblig. Law § 5-1708-a

Dear Mr. Scherer:

I write in response to your letter of June 2, 2016 on behalf of your clients, John T. Bair and Milestone Consulting, LLC, whereby you request the Superintendent's approval of plan of implementation (the "Plan") in accordance with Gen. Oblig. Law § 5-1708-a. That section permits an insurance company or its representative (including a licensed insurance agent) to waive commissions or other compensation payable in connection with the sale of a life insurance policy or annuity contract to a member of the immediate family of a victim of a terrorist attack. These waived commissions may either be applied against the premiums charged for the policy or contract, or, in the alternative, be donated to a charitable organization qualifying under Internal Revenue Code § 501(c)(3).

Department staff have reviewed the provisions of the Plan and conclude that it is consistent with the intent of the statute and essentially substantively unobjectionable. Nevertheless, the statute, at Gen. Oblig. Law § 5-1708-a(d), specifically requires that any plan of implementation be submitted by the "issuer", *i.e.*, the insurance company, and not its agent or representative. The Department will contact each of the insurers contained in your initial letter in order for them to acknowledge the Plan. You will be notified of any deviations or concerns expressed by any of the participating insurers.

Accordingly, if the Plan is separately acknowledged to the Department by each of the insurers represented by your client, the Superintendent would approve the Plan for that insurer. Please feel free to contact the undersigned if you would like to discuss further.

Sincerely,

James V. Regalbuto
Deputy Superintendent for Life Insurance