

## Response to Request for Additional Information as Required by Regulation 194

### Statement of Compensation, Ownership Interest, and Prohibition Against Rebating

Purchaser Name \_\_\_\_\_

Effective Date of Coverage \_\_\_\_\_

#### STATEMENT REGARDING PROHIBITION OF REBATING

New York State Insurance Law prohibits an insurance producer acting as a licensed insurance agent or broker as described in Section 2324, 4224, 6504, and 6904 from altering the amount of compensation received from the insurer based in whole or in part on the sale. Although the language and scope of Insurance Law §§ 2324, 4224, 6504, and 6904 differ in some respects, collectively those provisions prohibit an authorized insurer, licensed insurance producer, or any person acting on behalf of any such insurer or insurance producer from directly or indirectly paying or offering to pay an insured any rebate from the insurance premium specified in the insurance policy or contract, or giving or offering to give any valuable consideration or inducement, not specified in the insurance policy or contract. Any person or corporation violating the provisions of Section 2324, 4224, 6504, or 6904 shall be subject to penalties.

#### STATEMENT REGARDING COMPENSATION

For the specific sale of this policy, the insurance producer or any parent, subsidiary or affiliate will receive \_\_\_\_\_ in compensation. (This amount may be expressed as either a dollar amount or percentage of premium).

Our agency is compensated on a commission basis by the insurance company that writes your insurance. This commission percentage is set by the insurance company, not by us, and is included as a part of the insurance premium that you pay.

In addition, if the overall volume and loss experience of the entire book of business we write with a particular company warrant it, we may qualify for additional (or bonus) commission or other types of compensation, on a basis determined by the company and paid by them. (See Additional Disclosure Form)

We may also receive other compensation in the form of credits, loans, interest on premium, forgiveness of principal or interest, trips, prizes or gifts for doing business with the insurer you have selected. At the time of this disclosure, the estimated value of these other forms of compensation is \$\_\_\_\_\_, which represents the total amount received for all policies written with this company, not just your policy.

#### STATEMENT REGARDING OWNERSHIP INTEREST

Does the insurance producer or any parent, subsidiary or affiliate have any material ownership interest in the insurer issuing the insurance contract, or any parent, subsidiary or affiliate?

\_\_\_\_\_ No \_\_\_\_\_ Yes. (Describe below)

Does the insurer issuing the insurance contract or any parent, subsidiary or affiliate have any material ownership interest in the insurance producer, or any parent, subsidiary, or affiliate?

\_\_\_\_\_ No \_\_\_\_\_ Yes. (Describe below)

Signature of Purchaser \_\_\_\_\_ Date \_\_\_\_\_