

**Bulletin 18**

**PROVISION FOR POLICYHOLDERS' DIVIDENDS PAYABLE IN FOLLOWING  
CALENDAR YEAR -- LIFE ANNUAL STATEMENT, ITEM 7, PAGE 3, LIABILITIES**

December 31, 1964

Regardless of the date on which a company's dividend year begins, the Department considers it as desirable for reasons of uniformity and safety to determine the dividend liability for annual statement purposes on the basis of dividend payments during the entire succeeding calendar year.

Also any dividend payable in 1965, even though it may be contingent on the payment of the next year's premium, must be established as a liability as of December 31, 1964 and similar treatment should be made in preparing the Annual Statement (Life) for future years.

Harry E. McClain  
Insurance Commissioner

Withdrawn