

Mr. MOSS. Are you a general agent at the present time?

Mr. ALLEN. Yes.

Mr. MOSS. For the life insurance business.

Mr. ALLEN. Yes, we are.

Mr. MOSS. And you are a broker/dealer in addition.

Mr. ALLEN. Correct.

Mr. MOSS. Do you specialize in any particular funds?

Mr. ALLEN. Oh, no.

Mr. MOSS. You sell anything that is available.

Mr. ALLEN. Any funds.

Mr. MOSS. With no concentration on any one of them.

Mr. ALLEN. Oh, yes. I would say we concentrate on a particular group, although we do not tell our salesmen that they must sell this particular group, but various funds do give added concessions for a percentage of the business that a firm will do with them, and so we do a large portion of our business, I would say 80 percent, in one particular group of funds.

When we first went in the business 6 years ago, we looked into many of the funds, having been with an underwriter before, and were selling only one particular group of funds, and realizing—

Mr. MOSS. What is the nature of that added incentive?

Mr. ALLEN. Oh, on the contractual plans in particular, I couldn't give you the exact figures, but there is an additional compensation in doing an additional amount of business per quarter.

Mr. MOSS. Do you have an idea what it is?

Mr. ALLEN. And we pass this in incidentally to the salesmen.

Mr. MOSS. You have an idea of what it is, don't you?

Mr. ALLEN. A half million dollars a quarter I believe it the latest figure in face amount of plans.

Mr. MOSS. What is the added incentive that applies to this half million dollars a quarter?

Mr. ALLEN. Well, there are so many different sized plans that I couldn't tell you right offhand just exactly. I could certainly get it for you.

Mr. MOSS. Will you supply it for the record?

Mr. ALLEN. Surely.

(The information referred to follows:)

EXAMPLES OF VOLUME BONUS ARRANGEMENTS OF FUNDS WHICH HAVE CONTRACTUAL PLANS

EXCERPT FROM THE DREYFUS FUND INCORPORATED PROSPECTUS, DATED MARCH 21, 1967

The Programs are established under an Agreement between The Dreyfus Corporation and The Bank of New York, dated July 18, 1955, are governed by New York law, and constitute an investment company of the unit investment type under the Investment Company Act of 1940. They are registered with the Securities and Exchange Commission under such statute, which does not imply supervision of management or investment policies by the Commission or any Governmental agency.

Programs are available from authorized independent dealers. These dealers currently receive commissions from The Dreyfus Corporation ranging from 54% to 90% of the full 10-year or 15-year Sales and Creation Charge. Dealer commissions on Fully Paid Programs ranged from 7.5% to .9% of the face amount of the Programs. Some dealers, because of their higher volume, receive additional