**Section 903.610 General Procedures in Allocating Salaries**

a) Direct Allocations

 Wherever possible, salaries of individuals or similarly employed groups shall be allocated direct to companies, expense groups and primary lines of business. In other words, salaries of employees whose work is solely in connection with a specific company, expense group or line of business shall be allocated thereto.

b) Allocations Other Than Direct

1) When a direct allocation is not made, salaries, with certain exceptions hereinafter noted, shall be allocated on whichever of the following bases, or combinations thereof, are appropriate:

A) Number of Items or Units

B) Time Studies

C) Overhead on Other Allocations

D) Premiums

E) Dollar Volume of Losses

F) Other Special Studies

2) All bases of allocation, and the application thereof, shall be subject to restrictions, modifications and exceptions in the General Instructions Regarding Allocation Bases which follow.