Chapter DFI−CU 58

SALE OF CREDIT LIFE AND HEALTH AND ACCIDENT INSURANCE IN CONNECTION WITH CREDIT UNION LOANS

DFI−CU 58.01 Commissions.
DFI−CU 58.02 Disposition of commissions.
DFI−CU 58.03 Reports to insurance companies.

Note: Chapter CU 58 was renumbered chapter DFI−CU 58 under s. 13.93 (2m) (b) 1., Stats., and corrections made under s. 13.93 (2m) (b) 7., Stats., Register, October, 1997, No. 502.

DFI−CU 58.01 Commissions. Credit life and health and accident insurance sold in connection with credit union loans is directly related to the business of credit unions. In order to eliminate the possibility of a conflict of interest, the commissions on the sale of such insurance must be paid to the credit union and become a part of that credit union's gross income.

History: Cr. Register, April, 1970, No. 172, eff. 5−1−70; renum. from Bkg 58.01 to be CU 58.01, Register, August, 1972, No. 200, eff. 9−1−72.

DFI−CU 58.02 Disposition of commissions. Since these commissions represent another form of credit union gross income, the credit union may not share the income with officers, directors, committee members or employees on a percentage basis. These individuals may not directly benefit from the sale of credit life and accident and health insurance sold to members in connection with credit union loans.

History: Cr. Register, August, 1972, No. 200, eff. 9−1−72.

DFI−CU 58.03 Reports to insurance companies. Copies of all reports to the insurance companies of insurance sold in connection with these loans shall be retained by the credit union for a period of 2 years.

History: Cr. Register, April, 1970, No. 172, eff. 5−1−70; renum. from Bkg 58.02 to be CU 58.02, Register, August, 1972, No. 200, eff. 9−1−72.