

Ins 6

Filed December 2, 1974
7:50 am

STATE OF WISCONSIN)
OFFICE OF THE COMMISSIONER OF INSURANCE) ss

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, S. C. DuRose, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending a rule relating to investments of insurance companies was issued by this office on November 29, 1974.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 29th day of November, 1974.



S. C. DuRose
Commissioner of Insurance

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

NOV 29 1974

ROBERT C. ZEMMERMAN
SECRETARY OF STATE

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

Repealing and Amending Rules

Pursuant to authority vested in the Commissioner of Insurance by section 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby amends a rule as follows:

Section Ins 6.20 (5) (g) of the Wisconsin Administrative Code is repealed and re-created to read:

Ins 6.20 (5) (g) Limitations on amount of investment. More than 3% of assets in any single issue of a security to which this rule is applicable unless it obtains the prior approval of the Commissioner except that such limitations shall not be applicable to securities of the government of the United States or its instrumentalities or securities guaranteed by the full faith and credit of the United States (and except that such limitation shall be 10% as to the securities of any state, governmental unit therein, or instrumentality thereof).

Section Ins 6.20 (6) (c) is adopted to read:

Ins 6.20 (6) (c) A town mutual insurance company may invest up to 75% of its assets in any common trust fund of which a Wisconsin state bank or trust company serves as trustees but only so long as such bank, in the administration of said common trust fund complies with the following conditions:

1. The fund shall be administered in compliance with applicable Wisconsin banking statutes and any rules and regulations promulgated by the commissioner of banking,

2. The bank shall furnish to the commissioner of insurance a copy of the plan establishing the common trust fund and shall promptly

furnish the commissioner with copies of all amendments to such plan,

3. Notwithstanding the scope of any investment powers granted to the bank as trustee of such fund, the bank as trustee shall invest the assets of the fund only in:

- a. commercial paper rated "prime 1" by Moody's Investors Service, Inc., or "A-1" by Standard & Poor's Corporation or "F-1" by Fitch Investor Service, Inc.;
- b. prime banker's acceptances;
- c. certificates of deposits issued by banks;
- d. obligations of the United States government or any of its instrumentalities;
- e. bank repurchase agreements, if fully collateralized by obligations of the United States government or any of its instrumentalities.

4. The maturity date of each of the investments listed in subdivision 3 of this paragraph shall not exceed 91 days,


5. All income received by the fund shall be distributed monthly by the banks as trustee and there shall be no accumulation or reinvestment of such income by the bank,

6. The bank shall furnish monthly reports to each insurer-investor stating the value of such investor's participation in such common trust fund and the amount of income distributed to each insurer for such month,

7. The bank shall furnish annually to the commissioner an audited year-end financial statement of the common trust fund,

8. The common trust fund shall be subject to examination by the commissioner of banking.

Dated November 29, 1974



S. C. DuRose
Commissioner of Insurance