

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

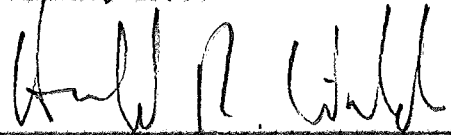
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REVISOR OF STATUTES
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TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Harold R. Wilde, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order adopting a rule concerning valuation of assets-salvage and subrogation was issued by this office on November 28, 1977.

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 hereto subscribed my name in the City of Madison, State of Wisconsin, this 28th day of November, 1977.



Harold R. Wilde
Commissioner of Insurance

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

NOV 28 1977

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

NOV 28 1977

Adopting A Rule

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

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

Section Ins 14.01 of the Wisconsin Administrative Code is adopted to read:

Ins 14.01 Valuation of assets - salvage and subrogation.

(1) **PURPOSE.** This rule is intended to implement and interpret sections 601.41, 601.42, and 613.03, Wis. Stats., for the purpose of setting minimum standards and techniques for accounting, valuing, reserving and reporting of data relating to company financial transactions and other operations and to reaffirm the long-standing express position of the Commissioner of Insurance.

(2) **SCOPE.** This rule shall apply to all insurers other than town mutual insurers organized under Chapter 612, Wis. Stats.

(3) **SALVAGE AND SUBROGATION.** Because of the difficulty in ascertaining the value of items received as salvage on paid or unpaid losses and determining the amount which might be recovered by subrogation on paid or unpaid losses, insurers doing an insurance business in this state shall not recognize as an asset or as a reduction of a liability in any annual statement or interim statement filed with the commissioner of insurance any salvage or subrogation recoveries until such recoveries shall have been reduced to cash or its equivalent. Salvage or subrogation recoveries reduced to cash or its equivalent shall be accounted for as an offset to losses paid.

NOTE: This rule is in consonance with the previous position of the Office of the Commissioner of Insurance on this matter and that espoused by the National Association of Insurance Commissioners as evidenced in the instructions to the annual statement forms prescribed by Wisconsin Administrative Code sections Ins 7.01 (5) and (6).

Dated at Madison, Wisconsin this 28th day of November, 1977.

Harold R. Wills
Commissioner of Insurance