

No. 143, A.]

[Published April 21, 1917.

CHAPTER 106

AN ACT to amend subsection 3 of section 1897a, section 1947a, and subsection 4 of section 1948m, to create subdivision (g) of subsection 1 of section 1950, and to amend subsection 3 of section 1950d and subdivision (2) of subsection 12 of section 1960 of the statutes, relating to life insurance.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. Subsection 3 of section 1897a of the statutes is amended to read: (Section 1897a) 3. Insurance under each subsection of section 1897 shall be written in separate and distinct policies, except that the same policy may embrace risks specified in subsections 1 and 12 or 4 and 5, and policies under subsection 3 may contain any provision operating to safeguard the insurance against lapse, or giving a special surrender value or an annuity providing for payments not exceeding in any year one-tenth of the sum insured during the lifetime of the insured, with or without reduction of the sum insured, in the event that the insured shall become totally and permanently disabled from any cause.

SECTION 2. Section 1947a of the statutes is amended to read: Section 1947a. Any life insurance company incorporated under * * * the laws of this state, may engage in the business of personal, accident and health insurance, as its articles of association shall provide, and may issue such contracts either independently of or in conjunction with its life or endowment policies; provided, that no accident, health or disability benefits except total and permanent disability benefits may be incorporated in its life or endowment policies and that when the total and permanent disability benefits are incorporated in, or contained in contracts issued in conjunction with its life or endowment policies and when accidental death benefits are contained in separate and distinct contracts issued in conjunction with such policies and valued under the provisions of section 1950d—3 and subsection (g) of section 1950—1, section 1960, except subdivision (2) of subsection 12, shall not apply. Any foreign life insurance company, by complying with this section, may also be licensed to transact such business, * * * if authorized so to do by its charter or articles of organization or by the state in which it is incorporated.

SECTION 3. Subsection (4) of section 1948m of the statutes is amended to read: (Section 1948m) (4) That upon the nonpay-

ment of any premium when due, after payment of premiums for (insert a number not exceeding three) full years, the insured shall be granted as specified in the policy either extended insurance or paid-up insurance, the net single premium on which, computed on the mortality and interest assumptions of the policy, shall at any time equal the reserve less the surrender charge specified therein, and less any existing indebtedness to the company on or secured by the policy. Provisions 3 and 4 shall not be required in term insurance of twenty years or less, and either may be automatic, and either may be omitted. *The reserve to be used for calculating the benefits after the nonpayment of any premium when due provided for in this section, may exclude the reserve held by the company to provide for total and permanent disability benefits, if any.*

SECTION 4. There is added to subsection 1 of section 1950 of the statutes a new subdivision to read: (Section 1950. 1) (g) The reserve liability for the total and permanent disability provision incorporated in policies of life or endowment insurance shall be calculated on the basis of "Hunter's Disability Table," or on any table based upon disability experience approved by the commissioner of insurance, with interest at not exceeding three and one-half per cent per annum; provided, that in no case shall the reserve in any policy year be less than the proportional unused part of the net annual premium calculated by such table for the disability benefit.

SECTION 5. Subsection 3 of section 1950d of the statutes is amended to read: (Section 1950d) 3. The * * * *reserve* * * * *liability on account of policies insuring against accidental death or disability because of sickness or accident, or on account of provisions for total and permanent disability insurance supplemental to or incorporated in policies of life or endowment insurance, shall * * * be computed on the basis of the "British Friendly Society Table 1876 to 1880," with interest at three and one-half per centum per annum, or such other higher standard or standards as the company may have adopted and as may be approved by the commissioner of insurance; but the reserve liability for provisions insuring against total and permanent disability, shall be computed on the basis of "Hunter's Disability Table," or any similar table approved by the commissioner of insurance; provided, that in no case shall the reserve be less than the proportional unused part of the net annual premium, computed as above, for the disability benefit. The commissioner may vary the standards in cases where the use of such*

table is impracticable, and may also require additional reserves in case of hazardous occupations.

SECTION 6. Subdivision (2) of subsection 12 of section 1960 of the statutes is amended to read: (Section 1960. 12) (2) Nothing in this act shall apply to or in any way affect contracts * * * of life or endowment insurance or *contracts supplemental thereto*, where such *contracts or supplemental contracts* contain no provisions *relating to accident or health insurance except accidental death benefits and* except such as operate to safeguard such insurance against lapse, or to * * * *give a special surrender value * * * or an annuity providing for payments not exceeding in any year one-tenth of the sum insured during the lifetime of the insured, with or without reduction of the sum insured,* in the event that the insured shall be totally and permanently disabled * * * *from any cause*; provided that no such supplemental contract shall be issued or delivered to any person in this state unless and until a copy of the form thereof has been submitted to and approved by the commissioner of insurance, under such reasonable rules and regulations as he shall make concerning the provisions in such contracts and their submission to and approval by him.

SECTION 7. This act shall take effect upon passage and publication.

Approved April 19, 1917.

No. 230, A.]

[Published April 21, 1917.

CHAPTER 107

AN ACT to create subsection 7 of section 1976 of the statutes, relating to life insurance agents' licenses.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. There is added to section 1976 of the statutes a new subsection to read: (Section 1976) 7. Upon written notice by a life insurance company authorized to transact business in this state of its appointment of a person to act as its agent herein, the insurance commissioner shall, if he is satisfied that the appointee is a trustworthy and reliable person and intends to hold himself out in good faith as a life insurance agent, issue to him a license which shall state, in substance, that the company is authorized to do business in this state, and that the person named therein is the constituted agent of the company in this state for the transaction of such business as it is authorized to transact herein. Such notice shall be upon a form furnished