

Ins 2

Filed Aug 3-1964

10 am

STATE OF WISCONSIN)
DEPARTMENT OF INSURANCE) ss.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Charles Manson, Commissioner of Insurance, and custodian of the official records of said department, do hereby certify that the annexed amendment to rules and regulations relating to prohibitions, regulations, and disclosure requirements in life insurance policies which include either a series of one-year pure endowments or a series of guaranteed periodic benefits maturing during the premium-paying period of the policy was duly approved and adopted by this department on August 3, 1964.

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department at the Hill Farms State Office Building, in the city of Madison, this 3rd day of August, A.D., 1964.



Charles Manson
Commissioner of Insurance

STATE OF WISCONSIN SS
DEPARTMENT OF STATE
RECEIVED AND FILED

AUG - 3 1964 10:00h
ROBERT C. ZIMMERMAN
SECRETARY OF STATE

ORDER OF THE DEPARTMENT OF INSURANCE

Amending Rules

Pursuant to authority vested in the Commissioner of Insurance by section 200.03 (2), Wis. Stats., the Commissioner of Insurance hereby amends a rule as follows:

Section Ins 2.08 (4) (b) of the Wisconsin Administrative Code is amended to read:

(b) Any policy containing a series of one-year pure endowments or a series of guaranteed periodic benefits maturing during the premium-paying period of the policy has special characteristics making such policy peculiarly susceptible to misrepresentation and misunderstanding. (As used in this rule the premium-paying period extends from the date the first premium is due to the end of the policy year in which the last premium is due.) Such policies are founded on the utmost good faith of the company, and the public interest requires that the premium charged for such benefits shall be fully and fairly disclosed to the policyholder without deception or misrepresentation. Therefore, on or after December 1, 1964, no policy containing either a series of one-year pure endowments or a series of guaranteed periodic benefits maturing during the premium-paying period of the policy shall be approved for use and no such policy heretofore approved shall be issued or delivered in this state unless:

1. the policy is nonparticipating,
2. the payment of a pure endowment or guaranteed periodic benefit is not contingent on the payment of premiums falling due on or after the time such pure endowment has matured,

3. the gross premium for the pure endowment or guaranteed periodic benefits is shown prominently and separately in the policy distinct from the regular insurance premium,

4. the gross premium for the pure endowment or guaranteed periodic benefits is based on reasonable assumptions as to interest, mortality, and expense,

5. the number of one-year pure endowment or guaranteed periodic benefits provided by the policy equals the number of annual premiums for such benefits.

6. all advertisements, sales materials, agent's presentations, and other representations of the policy to the public represent the pure endowment or guaranteed periodic benefits of the policy to be nothing other than insurance benefits for which a premium is being paid,

7. all representations of the total premium for the policy contract also show the gross premium for the pure endowment or guaranteed periodic benefits to an extent such that the prospect or purchaser is fully informed as to the separate costs involved.

Add a paragraph to the Note:

The amendment to subsection (4) (b) of this rule, effective December 1, 1964, does not impair the validity of any contracts in force prior to the effective date and does not prevent a company from performing on any such contracts.

The amendment herein contained shall take effect on December 1, 1964, as provided in section 227.026 (1) (b), Wis. Stats.

Department of Insurance



Charles Manson
Commissioner of Insurance

Dated August 3, 1964