

**Chapter Ret 8**

**VARIABLE ANNUITIES**

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**Ret 8.01 Variable segregation of future normal contributions.**

(1) Any participating employe may provide for a variable annuity through a segregation of one-half of his future normal contributions in each calendar quarter year, together with an equal amount of credits in the employer accumulation account in each calendar quarter year, by filing with the fund a written notice of election on a prescribed form.

(4) The amount of the variable segregation may be increased by filing another prescribed form which upon its effective date shall supersede any prior form.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (1) and Register, December, 1966, No. 132, eff. 1-1-67; am. (1) and (4), Register, May, 1971, No. 185, eff. 6-1-71; am. (1), Register, May, 1972, No. 197, eff. 6-1-72.

**Ret 8.02 Variable segregation of accumulated credits.** (1) Any participating employe who has filed notice under section Ret 8.01 may, by notice to the fund on a prescribed form, provide that there be segregated for a variable annuity, as provided in section 41.12 (4), Wis. Stats., an amount equal to 50% of the accumulated credits in all of his accounts (including an amount from the employer accumulation account equal to the amount of employe normal contribution accumulations so segregated) at the beginning of the year in which the first notice under section Ret 8.01 executed by him was effective.

(2) In computing such percentage of the accumulated credits as of the beginning of the calendar year in which the original notice under section Ret 8.01 is effective all cents in excess of even dollars shall be disregarded.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; r. and recr. (1), Register, December, 1966, No. 132, eff. 1-1-67; r. and recr. (1), Register, February, 1970, No. 170, eff. 3-1-70; am. (1), Register, May, 1971, No. 185, eff. 6-1-71; am (1), Register, May, 1972, No. 197, eff. 6-1-72.

**Ret 8.03 Valuation of variable assets.** The value of the assets of the variable division shall be determined at the end of each calendar year, and at such other time as the board shall direct.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57.

**Ret 8.04 Gain or loss for variable accounts.** The net gain or loss of the variable division shall be determined annually as of the end of the calendar year, and at such other time as the board shall direct.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57.

**Ret 8.05 Variable annuities redeterminations.** (1) As of the end of each calendar year the actuary shall certify the then present value

of all variable annuities granted, based on the prescribed rate of interest and the approved actuarial tables then in effect. The amount payable with respect to each variable annuity previously granted shall be redetermined by the department as of the end of each calendar year that the balance of the reserve for variable annuities granted account shall exceed or be less than the present value of all variable annuities granted by at least 2%. Such redetermination shall proportionately increase or decrease each variable annuity payment, disregarding fractional percentages, so as to reduce the variance between the balance of the reserve for variable annuities granted and the present value of variable annuities currently in force to less than one percent.

(2) Annuity changes made in accordance with subsection (1) shall be effective in the third month of the ensuing calendar year, and shall apply to all annuities with an effective date prior to such ensuing year whether or not approved in a prior year. Annuities with an effective date in an ensuing calendar year shall not be changed until the next redetermination made in accordance with subsection (1) requires a change.

*History:* Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (4) Register, October, 1961, No. 70, eff. 11-1-61; am. (3) and (4), Register, February, 1970, No. 170, eff. 3-1-70; am. (1), Register, January, 1971, No. 181, eff. 2-1-71; r and recr. Register, December, 1976, No. 252, eff. 1-1-77.

**Ret 8.06 Death benefits.** (1) If at the death of an annuitant receiving an option 1 annuity or an integrated optional annuity, the accumulated credits arising from employe contributions used to provide the annuity exceeds the total annuity payments, both in the fixed annuity division and in the variable annuity division, the excess applicable to the fixed annuity division shall be the amount of the death benefit payable by the fixed annuity division, and the remainder of the death benefit shall be the amount payable by the variable annuity division. If at the death of a participant receiving such an annuity total variable annuity payments, or fixed annuity payments, but not both, are less than the accumulated credits arising from employe contributions applied to provide such payments, the death benefit which is payable pursuant to section 41.14 (2) (c) or (d), Wis. Stats., shall be payable from the division, for which such payments are less than such accumulated credits.

(2) The foregoing procedure is applicable as well to disability annuitants if a death benefit is payable based on the excess of accumulated contributions over annuity payments.

*History:* Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (1), Register, February, 1970, No. 170, eff. 3-1-70.