

DEPARTMENT OF INSURANCE

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2. The name of the company in which the life insurance is to be written.

3. The name of the policy or contract and any supplemental riders.

4. Except for such combinations as are authorized by Wis. Adm. Code section Ins 2.05, the premiums for the life insurance shown separately from the premiums for each additional or supplemental benefit provided in the contract.

5. The face amount of the life insurance shown separately from the amounts of coverage shown for any additional or supplemental benefit provided in the contract.

6. All matters pertaining to life insurance set forth separately from any matter not pertaining to life insurance.

(4) DECEPTIVE PRACTICES DEFINED. The following are defined to be prohibited unfair practices or deceptive acts in the selling of the insurance described in subsection (2) above:

(a) The making of any misrepresentation or false, deceptive or misleading statement.

(b) The use of terms such as financial planner, investment adviser, financial consultant or financial counselling to imply that the insurance agent is generally engaged in advisory business in which compensation is unrelated to sales unless such is actually the case.

(c) The use of comparisons or analogies or the manipulation of amounts and numbers in such a way as to mislead the prospective purchaser concerning the cost of the insurance protection to be provided by the insurance contract or any other significant aspect of the contract.

(d) The reference to an insurance premium as a deposit, an investment, a savings or the use of other phrases of similar import when referring to an insurance premium.

(e) In respect to participating policies, the description of the policy dividend as other than a refund or return of part of the premium paid, which is not guaranteed and which is determined by the investment earnings, mortality experience and expense experience of the company.

(f) The making by the agent or insurer of any misleading statement concerning:

1. The cash surrender values and nonforfeiture benefits.

2. The source of the increase in cash surrender value, including the period of time to which such increase is related.

3. The valuation interest rate used to establish the reserve value of the contract or the relationship of such rate to the determination of cash surrender values.

(g) Recommending to a prospective purchaser the purchase or replacement of any life insurance policy or annuity contract without reasonable grounds to believe that the recommendation is not unsuitable for the applicant on the basis of information furnished by such person after reasonable inquiry as may be necessary under the circumstances concerning the prospective buyers insurance and annuity needs and means.

(5) **EFFECTIVE DATE.** This rule shall apply to all solicitation of life insurance on or after June 1, 1972.

(6) **PENALTY.** Violations of this rule shall subject the insurance company or agent to section 601.64, Wis. Stats.

(7) **SEPARABILITY.** If any provision of this rule shall be held invalid the remainder of the rule shall not be affected thereby.

History: Cr. Register, March, 1972, No. 195, eff. 4-1-72.

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