

**Chapter Ins 4**

**FIRE AND ALLIED LINES INSURANCE**

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**History:** Ins 4.01 Mutual insurance companies operating on a postmortem assessment plan cannot limit assessments to a specific amount. 1-2-56; r. Register, May, 1975, No. 233, eff. 6-1-75.

**Ins 4.02 Nonassessable policies of mutual companies.** (1) A mutual insurance company having a sufficient amount of earned surplus to comply with the provisions of section 201.07, Wis. Stats., must set aside, as a distinct guarantee fund, the amount required by statute to issue nonassessable policies, by resolution of the board of directors, certified copy of which resolution must be filed in the office of the commissioner of insurance, and, subsequent thereto and while the company continues to issue nonassessable policies in this state, must show the amount of such guarantee fund in every annual statement to this department.

(2) The conditions of nonassessability shall be plainly stated in policies issued in this state. Wherever the "Mutual Policy Conditions" are printed, there shall be printed in type not smaller than the body of the policy "This policy is nonassessable."

(3) All policy forms used in issuing nonassessable policies shall be submitted for approval by the commissioner of insurance.

(4) No company shall be permitted to issue nonassessable policies and assessable policies at the same time.

(5) No joint policy may be issued in this state which includes a company operating on the nonassessable plan and a company operating on the assessable plan.

**History:** 1-2-56; r. (2) (b) and renum. (2) (c) to be (2) (b), Register, July, 1958, No. 31, eff. 8-1-58; am. (2) (a) and (2) (b), Register, October, 1958, No. 34, eff. 11-1-58; am. (2) Register, February, 1959, No. 38, eff. 3-1-59.

**Ins. 4.03 Policy, inspection and similar fees.** The total advance consideration including policy, inspection, and other fees charged an insured must be stated in the policy. Such fees are a part of the premium and are subject to all statutory provisions relating to premiums except as to policy fees otherwise provided for under section 201.18 (3), Wis. Stats.

**Ins 4.04 History:** 1-2-56; am. (3), Register, July, 1958, No. 31, eff. 8-1-58; r. Register, November, 1960, No. 59, eff. 12-1-60.

**History:** Ins 4.05 "Merit rating plan"—farm property. 1-2-56; r. Register, May 1975, No. 233, eff. 6-1-75.

**History:** Ins 4.06 Handling of cash and the recording of cash transactions by the town mutual insurance companies. 1-2-56; r. Register, August, 1974, No. 224, eff. 9-1-74.

**Ins 4.07 Inland marine definition.** The purpose of this rule is to define the kinds of risks and coverages which may be classified or

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identified as inland marine insurance subject to chapter 625, Wis. Stats., but does not include all of the kinds of risks and coverages which may be written, classified or identified under inland marine insuring powers, nor shall it be construed to mean that the kinds of risks and coverages are solely inland marine insurance in all instances. This rule shall not be construed to restrict or limit in any way the exercise of any insuring powers granted under charters and license whether used separately, in combination or otherwise. Inland marine policies may cover under the following conditions:

(1) IMPORTS. (a) Imports on consignment may be covered wherever the property may be and without restriction as to time, provided the coverage of the issuing companies includes hazards of transportation. A shipment "on consignment" shall mean property consigned and intrusted to a factor or agent to be held in his care, or under his control for sale for account of another or for exhibit or trial or approval or auction, and if not disposed of, to be returned.

(b) Imports not on consignment in such places of storage as are usually employed by importers, provided the coverage of the issuing companies includes hazards of transportation. Such policies may also include the same coverage in respect to property purchased on C.I.F. terms or "spot" purchases for inclusion with or in substitution for bona fide importations.

(c) An import, as a proper subject of inland marine insurance, shall be deemed to maintain its character as such so long as the property remains segregated in the original form or package in such a way that it can be identified and has not become incorporated and mixed with the general mass of property in the United States, and shall be deemed to have been completed when such property has been sold and delivered by the importer, factor or consignee; or removed from place of storage as desired in paragraph (b) above and placed on sale as part of importer's stock in trade at a point of sale-distribution; or delivered for manufacture, processing or change in form to premises of the importer or of another used for any such purposes.

(2) EXPORTS. (a) Exports may be covered wherever the property may be without restriction as to time, provided the coverage of the issuing companies includes hazards of transportation.