

Chapter Ins 6

GENERAL

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| Ins 6.01 Foreign company to operate two years before admission | Ins 6.20 Investments of insurance companies |
| Ins 6.02 Company to transact a kind of insurance two years before admission | Ins 6.25 Joint underwriting and joint reinsurance associations |
| Ins 6.03 Nonresident casualty and fire insurance agents | Ins 6.30 Instructions for uniform classifications of expenses of fire and marine and casualty and surety insurers |
| Ins 6.04 Countersignature requirements | Ins 6.31 Interpretations of the instructions for uniform classifications of expenses of fire and marine and casualty and surety insurers |
| Ins 6.05 Filing of insurance forms | Ins 6.40 Proxies, consents and authorizations of domestic stock insurers |
| Ins 6.06 Termination of insurance contracts | Ins 6.41 Insider trading of equity securities of domestic stock insurers |
| Ins 6.09 Prohibited acts by captive agents of lending institutions and others | Ins 6.42 Initial statement of beneficial ownership of securities |
| Ins 6.10 Insurance agents advisory council | Ins 6.43 Statement of changes in beneficial ownership of securities |
| Ins 6.11 Insurance claim settlement practices | Ins 6.50 Examination and licensing of insurance agents |
| Ins 6.12 Qualification of actuaries | Ins 6.51 Group coverage discontinuance and replacement |
| Ins 6.13 Public inspection of records and reports | Ins 6.52 Biographical data relating to company officers and directors |
| Ins 6.17 Regulation of surplus lines insurance | Ins 6.53 Insurance consumers advisory council |
| Ins 6.18 Reporting and payment of tax by unauthorized insurers transacting business in violation of law | |
| Ins 6.19 Reporting and taxation of directly placed unauthorized insurance | |

Ins 6.01 Foreign company to operate two years before admission. Experience has demonstrated that until a company has engaged in the business of insurance for at least 2 years there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to transact business in Wisconsin will be considered until it has continuously transacted the business of insurance for at least 2 years immediately prior to the making of such application for license.

Ins 6.02 Company to transact a kind of insurance two years before admission. (1) Experience has demonstrated that until a company has engaged in a kind of insurance or in another kind of insurance of the same class for at least 2 years, there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business in such kind of insurance or another kind in the same class of insurance, are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to transact a kind of insurance business in Wisconsin will be considered until it has continuously transacted that kind of insurance, or another kind of insurance in the same class of insurance as that for which it makes such application; for at least 2 years immediately prior to making such application. For the purposes hereof, insurance is divided into kinds of insurance according to the provisions of section 201.04, Wis. Stats., each

subsection setting forth a separate kind, and into classes of insurance upon the basis of and including the said kinds as follows:

(a) Fire insurance includes the kinds in section 201.04 (1), Wis. Stats., (as extended by section 203.28, (2) and (12)).

(b) Life insurance includes the kinds in section 201.04 (3), Wis. Stats., but excluding all insurance on the health of persons other than that authorized in section 206.03, Wis. Stats.

(c) Casualty insurance includes the kinds in section 201.04 (4) through (11), and (13) through (18), Wis. Stats.

(2) Provided, however, that nothing herein shall preclude consideration of an application to transact the kind of insurance in section 201.04 (4), Wis. Stats., if the applicant company has transacted any of the kinds of insurance in sections 201.04 (3), (5), (13), (15), (16) and (18), Wis. Stats., continuously for 2 years immediately prior to the making of application for license to transact the kind of insurance in section 201.04 (4), Wis. Stats.

Ins 6.03 Nonresident casualty and fire insurance agents. (1) Separate licenses are required for the solicitation of casualty insurance business and of fire insurance business.

(2) A separate license is required for each company for which the nonresident agent solicits business in Wisconsin but the provisions of subsections 201.53 (5) and 209.04 (5), Wis. Stats., permit a licensed nonresident agent to interchange business and receive the whole or any part of the commission from a resident agent on business obtained under such nonresident license and exchanged with the resident agent.

(3) A license will be revoked if the nonresident agent brokers insurance, either in Wisconsin, his state of residence, or elsewhere, of the class (casualty or fire) of insurance covered by the license, unless the placing of such business constitutes an exchange between agents as authorized by subsection 209.04 (5), Wis. Stats. One who solicits brokerage business is not eligible to have a nonresident agent's license for the same class (casualty or fire) of business.

(4) The company which a nonresident wishes to represent as an agent must furnish a statement showing that the applicant is appointed to solicit insurance in Wisconsin as its agent and agree that it will be bound by his knowledge and acts to the same extent as it is in connection with authorized resident agents in Wisconsin.

(5) The applicant for a nonresident agent's license must agree that each policy written by him covering property or risks in Wisconsin will be countersigned by a duly licensed resident agent of the company issuing the policy.

(6) A statement by the supervisory head of the insurance department of the state of residence showing that the applicant is a licensed agent in his state of residence for the company which he desires to represent in Wisconsin must be furnished when application is made for a nonresident agent's license.

(7) The applicant will be required to make full disclosure regarding any connection which he may have as an employe or member of any

plainant, in any criminal action or in a civil action in which fraud was an issue.

(7) **ADDITIONAL INFORMATION.** The commissioner may request from any company such additional information with respect to any of its officers or directors as he may deem necessary and such request shall be promptly complied with by the company to which such request is directed.

**FORM A
STATEMENT OF EDUCATION, PRIOR OCCUPATION,
BUSINESS EXPERIENCE AND SUPPLEMENTARY
INFORMATION**

STATE OF _____:

ss:

COUNTY OF _____:

The undersigned, being first duly sworn upon oath deposes and says:

1. The affiant's full name is (initials not acceptable):
2. The affiant's official title and principal duties with the insurance company is or will be:
3. The affiant's business address is:
Telephone: _____
4. The affiant's residence address is:
Telephone: _____
5. The affiant's age is:
Sex _____ Birthplace _____
Birthdate _____ Social Security No. _____
6. The affiant was never known by any other name(s) other than that shown above, except as follows (state such other name(s), when used, reason for change, and date of adoption of present name):
7. The affiant will subscribe to or owns, beneficially or of record the following amount of shares of stock of the insurance company and the consideration given for same:
8. The affiant states that his capital investment in the insurance company was not obtained from borrowed funds, except as follows:
9. The nature and tenure of each occupation or employment of the affiant for the last ten years prior to the date of this statement is as follows (present a continuous schedule, including time spent at educational institutions, and period of employment):

Beginning Date	Name and Address of Employer or School	Business Capacity or Title	Termination Date	Reasons for Termination
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10. The affiant's educational history is as follows (include all schools attended of the college or graduate level):

Name and Address of Institution	Course	Attendance No. Years/Dates	Degree Received	Date of Degree
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11. The affiant has never been convicted of a felony, except as follows:

12. The affiant has never been named in a criminal or civil action in which fraud was an issue, except as follows:

13. The affiant is not an officer or director and has no other relationship with any other insurer which has the effect of lessening competition substantially or in which such insurers have material adverse interests except as follows:

(Signature of Affiant)

Subscribed and sworn before me,
a Notary Public, this _____
day of _____, 19 ____.

Notary Public

(SEAL)

My commission expires: _____

FORM B
BIOGRAPHICAL SKETCH
DIRECTOR OR OFFICER

NAME OF COMPANY (OR COMPANIES):

ADDRESS OF COMPANY:

NAME:

RESIDENCE ADDRESS:

TITLE AND FUNCTIONS:

DATE OF APPOINTMENT OR ELECTION:

AGE _____ SEX _____ SOCIAL SECURITY NO. _____

DATE OF BIRTH _____ PLACE OF BIRTH _____

DURATION OF EMPLOYMENT WITH COMPANY:

LAST PREVIOUS OCCUPATION OR EMPLOYMENT: (1)

RELATIONSHIPS WITH OTHER INSURERS WHICH HAVE THE EFFECT OF LESSENING COMPETITION SUBSTANTIALLY OR IN WHICH THIS INSURER AND SUCH INSURERS HAVE MATERIAL ADVERSE INTERESTS:

OTHER: (2)

- (1) In the case of a director who is not otherwise an employe ("outside director") so indicate under "TITLE AND FUNCTIONS" and show here the principal occupation.
- (2) Add any additional information, such as the use of aliases or a conviction of an officer for a felony or the naming of an officer, other than as a party plaintiff or complainant in any criminal action or in a civil action in which fraud was an issue.

Signature of person reporting for the company

Dated

Title

History: Cr. Register, June, 1973, No. 210, eff. 7-1-73.

Ins 6.53 Insurance consumers advisory council. (1) PURPOSE.
The purpose of this rule is to create an insurance consumers advisory
Register, June, 1975, No. 234

council to be appointed by the commissioner pursuant to sections 15.04 (3), 227.018, and 601.20, Wis. Stats.

(2) **MEMBERSHIP.** The council shall consist of the commissioner or a member of his staff designated by him and at least 6 but no more than 12 other citizen members. Members will be appointed with due consideration given to representation of all income levels, ethnic and racial groups and without discrimination as to sex. In addition, at least one, and no more than 3 members, shall be appointed who have expertise in the insurance business.

(3) **TERM.** Members of the council shall be appointed to serve for a term of 2 years except that one-half of the initial appointments under this rule shall be for a one-year term and the remaining members for a two-year term.

(4) **DUTIES.** It shall be the duty of the council to advise the commissioner on matters relating to:

(a) Consumer education in insurance.

(b) Insurance advertising, solicitation and deceptive practices.

(c) Insurance availability, insurance policy exclusions, and other market problems.

(d) Possible standardization and simplification of insurance contracts.

(5) **OFFICERS.** The council shall annually elect a chairman and a vice-chairman. The commissioner or his designee shall act as secretary and keep a record of all proceedings, transactions, communications, and other official acts of the council. The files and records of the council shall be maintained at the office of the commissioner.

(6) **MEETINGS.** The council shall meet at least twice a year when called by the commissioner and at such other times when requested by the commissioner or by 3 or more members.

(7) **EXPENSE REIMBURSEMENT.** Members of the council shall receive no salary or compensation for service on the council but shall be reimbursed for their actual and necessary expenses in attending meetings or while performing other duties as directed by the commissioner.

History: Cr. Register, June, 1975, No. 234, eff. 7-1-75.

Next page is numbered 205.