

Chapter CU 58

SALE OF CREDIT LIFE AND HEALTH AND ACCIDENT INSURANCE IN CONNECTION WITH CREDIT UNION LOANS

CU 58.01 Commissions
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CU 58.03 Reports to insurance companies

CU 58.01 Commissions. Credit life and health and accident insurance sold in connection with credit union loans is directly related to the business of credit unions. In order to eliminate the possibility of a conflict of interest, the commissions on the sale of such insurance must be paid to the credit union and become a part of that credit union's gross income.

History: Cr. Register, April, 1970, No. 172, eff. 5-1-70; renum. from Bkg 58.01 to be CU 58.01, Register, August, 1972, No. 200, eff. 9-1-72.

CU 58.02 Disposition of commissions. Since these commissions represent another form of credit union gross income, the credit union may not share the income with officers, directors, committee members or employes on a percentage basis. These individuals may not directly benefit from the sale of credit life and accident and health insurance sold to members in connection with credit union loans.

History: Cr. Register, August, 1972, No. 200, eff. 9-1-72.

CU 58.03 Reports to insurance companies. Copies of all reports to the insurance companies of insurance sold in connection with these loans shall be retained by the credit union for a period of 2 years.

History: Cr. Register, April, 1970, No. 172, eff. 5-1-70; renum. from Bkg 58.02 to be CU 58.03, Register, August, 1972, No. 200, eff. 9-1-72.