

INS 2,3

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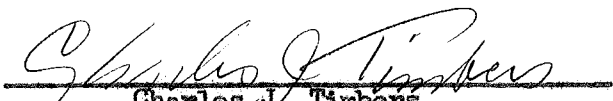
STATE OF WISCONSIN )  
DEPARTMENT OF INSURANCE ) ss.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Charles J. Timbers, Deputy Commissioner of Insurance, and custodian of the official records of said department, do hereby certify that the annexed amendments to the Wisconsin Administrative Code relating to credit life insurance and credit accident and health insurance were duly approved and adopted by this department on October 3, 1961.

I further certify that said copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have here-  
unto set my hand and affixed the  
official seal of the Department  
at the Capitol, in the city of  
Madison, this 3rd day of  
October, A.D., 1961.

  
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Charles J. Timbers  
Deputy Commissioner of Insurance

ORDER OF THE DEPARTMENT OF INSURANCE

Amending Rules

Pursuant to authority vested in the Commissioner of Insurance by section 200.03 (2), Wis. Stats., the Commissioner of Insurance hereby amends rules as follows:

Section Ins 2.06 (2) (b) 3 and 8 of the Wisconsin Administrative Code is amended to read:

3. The amount and term of the coverage by description, formula, schedule, or by equating both to the amount and term of the indebtedness. An insurer may submit other methods for indicating amount and term, subject to the approval of the commissioner, which it believes are equally clear.

8. A provision that a refund will be granted in the event of cancellation or termination. The individual policy or group certificate shall either describe the method of computing the refund or state that the formula or schedule for such computation has been filed with the commissioner of insurance. This provision shall not be required if the debtor has not paid or obligated himself to pay all or any part of the premium or identifiable charge.

Section Ins 2.06 (2) (c) and (d) of the Wisconsin Administrative Code is amended to read:

(c) If a contract of credit life insurance provides for a limitation of the amount of coverage related to credit life insurance provided by other contracts in force on the life of the debtor, such limitation shall be explained to the debtor at the time the indebtedness is incurred and shall be acknowledged in writing by him in an instrument separate from the individual policy or group

certificate. Alternatively, the individual policy or group certificate shall include a brief description or separate statement referring to the limitation of amount of coverage. The brief description or separate statement, if used to meet the foregoing requirement, shall be printed on the first page of the individual policy or group certificate in type more prominent than that used in the text of the policy or certificate and shall clearly indicate the limitation.

(d) If a contract of credit life insurance provides for a limitation of coverage related to the age of the debtor, such limitation shall be explained to the debtor at the time the indebtedness is incurred and shall be acknowledged in writing by him in an instrument separate from the individual policy or group certificate. Alternatively, the individual policy or group certificate shall include a brief description or separate statement referring to the age limitation. The brief description or separate statement, if used to meet the foregoing requirement, shall be printed on the first page of the individual policy or group certificate in type more prominent than that used in the text of the policy or certificate and shall clearly indicate the limitation.

Section Ins 2.06 (5) (e) of the Wisconsin Administrative Code is amended to read:

(e) Credit must be given to the debtor for all refunds, regardless of amount, provided that no refund or credit need be made by an insurer if the amount thereof is less than one dollar. If credit life insurance and credit accident and health insurance have been in force on the same indebtedness, the sum of the refunds due on all such contracts shall be used to determine if a refund is due the debtor.

Section Ins 2.06 (6) of the Wisconsin Administrative Code is amended to read:

(6) EVIDENCE OF INSURANCE. If an individual policy or group certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for such policy or a notice of proposed insurance shall be delivered at such time to the debtor. The copy of the application for, or notice of proposed insurance, shall be signed by the debtor and shall set forth the name of the debtor, a description of the coverage, the amounts of premium or identifiable charge separately in connection with credit life insurance and credit accident and health insurance. The copy of the application for or notice of proposed insurance shall also refer exclusively to insurance coverage, and shall be separate and apart from the loan, sale or other credit statement of account, instrument or agreement unless the information required by this subsection is prominently set forth therein. Upon acceptance of the insurance by the insurer and within 30 days of the date upon which the indebtedness is incurred the insurer shall cause the individual policy or group certificate of insurance to be delivered to the debtor. Said application or notice of proposed insurance shall state that upon acceptance by the insurer the insurance shall become effective as provided in subsection (3) of this rule.

Section Ins 2.06 (7) (b) of the Wisconsin Administrative Code is amended to read:

(b) No policy, rider, endorsement, certificate, application, notice of proposed insurance or other form pertaining to a credit life insurance contract shall be issued or delivered nor shall a refund schedule be used in Wisconsin

on or after the effective date of this rule unless such form and refund schedule are filed with the commissioner of insurance and approved by him. No credit life insurance shall be effected on a debtor under an existing group policy, commencing with the policy anniversary date on or after the effective date of this regulation, unless a certificate of group insurance or a notice of proposed group insurance, as required herein, is delivered to the debtor on a form filed with the commissioner of insurance and approved by him.

Section Ins 3.16 (2) (b) 3 and 8 of the Wisconsin Administrative Code is amended to read:

3. The amount and term of the coverage by description, formula, schedule, or by equating both to the amount and term of the indebtedness. An insurer may submit other methods for indicating amount and term, subject to the approval of the commissioner, which it believes are equally clear.

8. A provision that a refund will be granted in the event of cancellation or termination. The individual policy or group certificate shall either describe the method of computing the refund or state that the formula or schedule for such computation has been filed with the commissioner of insurance. This provision shall not be required if the debtor has not paid or obligated himself to pay all or any part of the premium or identifiable charge.

Section Ins 3.16 (2) (c) and (d) of the Wisconsin Administrative Code is amended to read:

(c) If a contract of credit accident and health insurance provides for a limitation of the amount of coverage related to credit accident and health insurance provided by other contracts in force on the debtor, such limitation

shall be explained to the debtor at the time the indebtedness is incurred and shall be acknowledged in writing by him in an instrument separate from the individual policy or group certificate. Alternatively, the individual policy or group certificate shall include a brief description or separate statement referring to the limitation of amount of coverage. The brief description or separate statement, if used to meet the foregoing requirement, shall be printed on the first page of the individual policy or group certificate in type more prominent than that used in the text of the policy or certificate and shall clearly indicate the limitation.

(d) If a contract of credit accident and health insurance provides for a limitation of coverage related to the age of the debtor, such limitation shall be explained to the debtor at the time the indebtedness is incurred and shall be acknowledged in writing by him in an instrument separate from the individual policy or group certificate. Alternatively, the individual policy or group certificate shall include a brief description or separate statement referring to the age limitation. The brief description or separate statement, if used to meet the foregoing requirement, shall be printed on the first page of the individual policy or group certificate in type more prominent than that used in the text of the policy or certificate and shall clearly indicate the limitation.

Section Ins 3.16 (5) (c) of the Wisconsin Administrative Code is amended to read:

(c) Credit must be given to the debtor for all refunds, regardless of amount, provided that no refund or credit need be made by an insurer if the

amount thereof is less than one dollar. If credit accident and health insurance and credit life insurance have been in force on the same indebtedness, the sum of the refunds due on all such contracts shall be used to determine if a refund is due the debtor.

Section Ins 3.16 (6) of the Wisconsin Administrative Code is amended to read:

(6) EVIDENCE OF INSURANCE. If an individual policy or group certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for such policy or a notice of proposed insurance shall be delivered at such time to the debtor. The copy of the application for, or notice of proposed insurance, shall be signed by the debtor and shall set forth the name of the debtor, a description of the coverage, the amounts of premium or identifiable charge separately in connection with credit accident and health insurance and credit life insurance. The copy of the application for or notice of proposed insurance shall also refer exclusively to insurance coverage, and shall be separate and apart from the loan, sale or other credit statement of account, instrument or agreement unless the information required by this subsection is prominently set forth therein. Upon acceptance of the insurance by the insurer and within 30 days of the date upon which the indebtedness is incurred the insurer shall cause the individual policy or group certificate of insurance to be delivered to the debtor. Said application or notice of proposed insurance shall state that upon acceptance by the insurer the insurance shall become effective as provided in subsection (3) of this rule.

Section Ins 3.16 (7) (b) of the Wisconsin Administrative Code is amended to read:

(b) No policy, rider, endorsement, certificate, application, notice of proposed insurance or other form pertaining to a credit accident and health insurance contract shall be issued or delivered nor shall a refund schedule be used in Wisconsin on or after the effective date of this rule unless such form and refund schedule are filed with the commissioner of insurance and approved by him. No credit accident and health insurance shall be effected on a debtor under an existing group policy, commencing with the policy anniversary date on or after the effective date of this regulation, unless a certificate of group insurance or a notice of proposed group insurance, as required herein, is delivered to the debtor on a form filed with the commissioner of insurance and approved by him.



The rules contained herein shall take effect on November 1, 1961,  
as provided in section 227.026 (1), Wisconsin Statutes.

Department of Insurance



Charles J. Timbers  
Deputy Commissioner of Insurance

Dated: October 3, 1961