

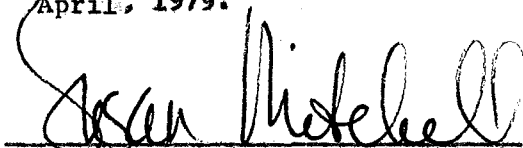
STATE OF WISCONSIN )  
 )ss.  
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Susan Mitchell, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending a rule regarding separate accounts and variable contracts was issued by this office March 23, 1979.

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

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 3rd day of April, 1979.

  
Susan Mitchell  
Commissioner of Insurance

STATE OF WISCONSIN  
RECEIVED AND FILED

APR 3 1979

VEL PHILLIPS  
SECRETARY OF STATE

RECEIVED  
APR 4 1979  
9:30 am  
REVISOR OF STATUTES  
BUREAU

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE  
STATE OF WISCONSIN  
Amending a Rule  
RECEIVED AND FILED

APR 3 1979

Pursuant to authority invested in the Commissioner of Insurance by section 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby amends a rule as follows:  
SECRETARY OF STATE

Section Ins 2.13 (2) (b), (c) and (d) (Intro.) are amended to read:

(b) "Individual intermediary agent" when used in this rule shall mean any person licensed as an individual intermediary life insurance agent under the laws of this state.

(c) "Individual intermediary variable contract agent" when used in this rule shall mean an individual intermediary agent who shall sells or offers to sell any contract on a variable basis.

(d) A "satisfactory alternative securities examination" ~~to part 1 of the written examination called for by paragraph c of subsection 9 of this rule~~ shall include any securities examination which is declared by the commissioner to be an equivalent examination on the basis of content and administration. The following examinations are deemed to be a satisfactory alternative examination:

Section Ins 2.13 (2) (d) 5 is repealed.

Section Ins 2.13 (6) (a) (second sentence) is amended to read:

Any such contract, including a group contract and any certificate issued thereunder, shall state that such dollar amount will vary to reflect investment experience and shall contain on its first page, in a prominent position, a clear statement to the effect that the benefits thereunder are on a variable basis, with a statement where in the contract the details of the variable provisions may be found.

Section Ins 2.13 (9) (title) (a), (b), (c), (d), (e) and (f) are amended to read:

(9) Examination of individual intermediary agents and other persons.

(a) 1. No individual intermediary agent shall be eligible to sell or offer for sale a contract on a variable basis unless prior to making any solicitation or sale of such contract he also be licensed as an individual intermediary variable contract agent.

2. Any individual intermediary agent who participates only in the sale or offering for sale of variable contracts that are not registered under the federal securities act of 1933, as amended, need not be licensed as an individual intermediary variable contract agent.

(b) Any individual intermediary agent applying for a license as an individual intermediary variable contract agent shall do so by filing with the commissioner:

~~1. Request for Agent Qualification Examination, Notice to Report for Examination, Notice of Examination Grades (11-4, 11-4a and 11-4b) Application for Permanent Individual Intermediary Insurance Agent License, Form 11-41 Resident or Form 11-41a Resident or 11-42 Nonresident. (See Wis. Adm. Code section Ins 7.01-(4)-(a) 6.59 (1)).~~

~~2. Application for Resident Insurance Agent License (11-1). Application for Resident Intermediary Agent Listing, forms 11-1 and 11-9 and Application for Non-Resident Individual Intermediary Insurance Agent Listing, form 11-17. (See Wis. Adm. Code section Ins 7.01-(4)-(a) 6.57 (1)).~~

~~3. Resident Insurance Agent License (11-2). (See Wis. Adm. Code section Ins 7.01-(4)-(d)).~~

(c) The licensing as an individual intermediary variable contract agent of any individual intermediary agent complying with paragraph (b) shall not become effective until such individual intermediary agent shall have satisfactorily passed a written examination upon securities and variable contracts. Such examination shall be divided into two parts. Part I shall be on securities generally and may be any of the satisfactory alternative securities examinations listed in subsection (2) (d). Part II shall deal with variable contracts and shall be composed of at least 15 questions but not more than 50 questions concerning the history, purpose, regulation and sale of contracts on a variable basis.

(d) The examination will be given in such places and at such times as the commissioner shall from time to time designate (see Ins 6.59 (8)). Upon application for license as an individual intermediary variable contract agent, the applicant shall be notified of the date of the next examination.

(e) Any applicant for license as an individual intermediary variable contract agent shall not be required to take the securities part I of the NAIG examination if, at the time of application, evidence is presented that the applicant

1. Has previously passed a satisfactory alternative examination as defined in subsection (2) (d) of this rule or

2. Is currently registered with the Federal Securities and Exchange Commission as a broker dealer, or is currently associated with a broker dealer and has met qualification requirements with respect to such association.

(f) Every applicant applying for license as an individual intermediary variable contract agent shall satisfactorily complete part II of the examination required by paragraph (c) of this subsection with a grade of at least 70% or shall present evidence of successful completion, prior to July 1, 1968, of either a variable contract examination given under the supervision of an insurance department of any state or territory of the United States which has adopted part II of the examination recommended for the testing of variable contract agents by the National Association of Insurance Commissioners or has been examined and licensed by any such department prior to its adoption of the National Association of Insurance Commissioners model regulation approved by that association at its June, 1968 meeting.

Section Ins 2.13 (9) (g), (h), (i), (j), (k), (l) and (m) are repealed.

Section Ins 2.13 (9) (g) is adopted to read:

(g) If an applicant fails to pass part II of the examination twice in a 6-month period, a third application will not be accepted from that applicant prior to 6 months after the second examination date. (See Wis. Adm. Code section Ins 6.59 (6).

Section Ins 2.13 (9) (h) is adopted to read:

(h) The fees listed in Ins 6.57 and 6.59 will apply to the licensing of individual intermediary variable contract agents.

Section Ins 2.13 (9) (i) is adopted to read:

(i) Every request to take a variable contract examination (see paragraphs (b) and (c)) shall be subject to the provisions of section Ins 6.59 (1), (2), (3) (a) and (b), (4), (5), (6) and (7) Wis. Adm. Code.

Section Ins 2.13 (9) (n) is redesignated Ins 2.13 (9) (j) and the introductory clause is amended to read:

(j) Any person licensed in this state as an individual intermediary variable contract agent shall immediately report to the commissioner:

Section Ins 2.13 (9) (o) is redesignated Ins 2.13 (9) (k) and is amended to read:

(k) The commissioner may reject any application or suspend or revoke or refuse to renew any individual intermediary variable contract agent's license upon any ground that would bar such applicant or such individual intermediary agent from being licensed to sell life insurance contracts in this state. The rules governing any proceeding relating to the suspension or revocation of an individual intermediary life insurance agent's license shall also govern any proceeding for suspension or revocation of an individual intermediary variable contract agent's license.

Section Ins 2.13 (9) (p) is repealed.

Dated at Madison, Wisconsin this 3rd day of April, 1979.

  
Susan Mitchell  
Commissioner of Insurance