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STATE OF WISCONSIN
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MAY 1 1981

VEL PHILLIPS
SECRETARY OF STATE


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

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

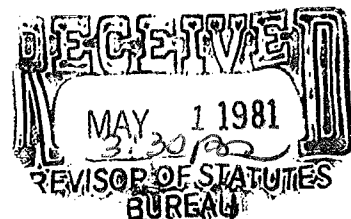
I, Susan Mitchell, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order adopting a rule relating to retention of records was issued by this office April 27, 1980.

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 27th day of April, 1981.



Susan Mitchell
Commissioner of Insurance



7-1-81

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VEL PHILLIPS
SECRETARY OF STATE

ORDER OF THE COMMISSIONER OF INSURANCE

ADOPTING A RULE

Relating to record retention requirements for insurers.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The purpose of section 6.80 is to establish minimum time periods for which records of insurers must be maintained. The statutes and the administrative code set forth record retention requirements, but in most cases there is no reference to the length of time for which the records must be kept. This rule interprets sections 180.43, 181.27, 601.42, 601.43, 611.51 (a), 611.61, and 645.23, Wis. Stats.

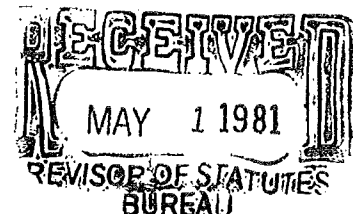
This section requires that records of company operations be kept for at least three years. For domestic companies as defined in s. 600.03 (27) (c), Stats., corporate records must be kept permanently. Records relating to insurance in force must be kept as long as the insurance is in force.

Insurers must be able to reproduce records in hard copy if they are not stored in that form. The rule will apply to all insurers licensed under Chapters 611, 612, 613, 614, 615 and 618, Stats.

Pursuant to the authority vested in the Commissioner of Insurance by section 601.41 (3), Wisconsin Statutes, the Commissioner of Insurance hereby adopts a rule interpreting sections 180.43, 181.27, 601.42, 601.43, 611.51 (9), 611.61 and 645.23, Wisconsin Statutes, as follows:

Section Ins 6.80 is adopted to read:

Ins 6.80 Retention of Records.



(1) PURPOSE. The purpose of this section is to establish standards for record retention by insurers and other persons subject to the regulation of the commissioner.

(2) SCOPE. (a) This section shall apply to all insurers licensed under Chapters 611, 612, 613, 614, 615 and 618, Stats., and including the Local Property Insurance Fund, the State Life Insurance Fund, and the State Indemnity Fund.

(b) The following sections also apply:

1. Ins 1.01 (3) applies to fraternalists.
2. Ins 2.07 (5) (a) 2. d. and Ins 2.07 (5) (b) 2. b. apply to life insurance.
3. Ins 3.25 (9) (d) applies to credit life and accident and sickness insurance.
4. Ins 3.27 (28) applies to disability insurance.
5. Ins 6.17 (3) (d) and (e) apply to surplus lines.
6. Ins 6.30 (2) (a) 1. e., Ins 6.30 (3) (a) 3. e., Ins 6.30 (4) (a) 2. e. and Ins 6.30 (5) (a) 3. apply to property and casualty insurers.
7. Ins 6.55 (5) (b) applies to all insurers.
8. Ins 6.61 applies to intermediaries.
9. Ins 8.09 applies to employee welfare funds.

(3) DEFINITIONS. (a) "Domestic insurer" has the meaning set forth in s. 600.03 (27) (c), Stats.

(b) "Insurer" has the meaning set forth in s. 600.03 (27) (a), Stats.

(c) "Nondomestic insurer" has the meaning set forth in s. 600.03 (27) (e), Stats.

(d) "Hard copy" means any information which is procured from an alternate storage facility such as microfilm, microfiche or electronic data processing and reproduced into proper form.

(4) DOMESTIC INSURERS. (a) Corporate records such as minute books, articles and bylaws, and stock and membership records shall be retained as permanent records.

1. General ledgers shall be retained as permanent records.

2. Rate books, agents' handbooks, underwriting manuals, specimen forms, and related actuarial material, as well as reinsurance contracts, shall be retained as long as the related insurance coverage remains in force.

(b) Records of insurance company operations and other financial records reasonably related to insurance operations for the preceding 3 years shall be maintained and be available to the Commissioner.

(c) Records maintained under par. (b) may be in written form or in any other form capable of being converted to written form within a reasonable period of time.

1. Original documents, such as claim files, invoices, cancelled checks, underwriting information and other similar materials may be maintained on microfilm or microfiche so long as the records thus maintained are readily available to the Commissioner and can be reproduced in hard copy.

2. Accounting records, policy master files, reserve inventories, and other similar records normally produced in hard copy may be maintained on electromagnetic tape provided such tapes are preserved and that the company can and will reproduce the appropriate hard copy within a reasonable period of time at the request of the Commissioner.

(d) The statutes of limitations, escheat laws, and statutes regarding minors of the various jurisdictions in which the insurer does business shall control the retention of pertinent records, other than permanent records, beyond the period mentioned in par. (b). These records may include, but shall not be limited to, claims files, supplementary contract files, records of uncashed checks, and underwriting files.

(e) Subject to this rule and applicable statutes and rules or regulations of this and other jurisdictions in which the insurer is licensed to do business, the insurer may set its retention of records to conform to its storage facilities.

(5) NONDOMESTIC INSURERS. (a) Records with regard to insurance company operations in the State of Wisconsin for the preceding 3 years shall be maintained in the form specified under (4) and be available to the Commissioner, or the insurance regulatory agency of the insurer's state of domicile.

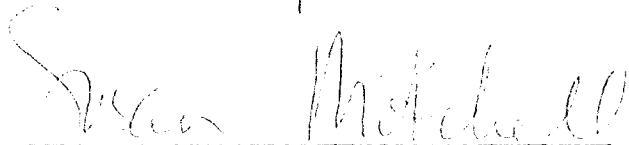
(b) The requirements of this rule pertaining to an insurer's operations in the State of Wisconsin may be met by compliance with the record retention law of its state of domicile. If no such law or regulation exists, an insurer may comply with this rule by presenting a statement attesting to the fact that its record retention system is acceptable to its state of domicile.

(6) SEPARABILITY. If any provision of this rule shall be held invalid, the remainder of the rule shall not be affected thereby.

(7) PENALTY. Violations of this rule by any person shall subject the person to the penalties set forth in s. 601.64, Stats.

(8) EFFECTIVE DATE. As provided in s. 227.026 (1), (intro), this rule shall take effect on the first day of the month following its publication.

Dated at Madison, Wisconsin, this 28th day of April, 1981.



Susan Mitchell
Commissioner of Insurance