

CR 82-7

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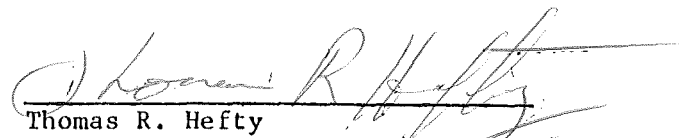
STATE OF WISCONSIN)
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas R. Hefty, Deputy Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order relating to the amendment of Ins 2.15 regarding annuity benefit solicitation was issued by this office April 30, 1982.

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 30 day of April, 1982.


Thomas R. Hefty
Deputy Commissioner of Insurance

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ORDER OF THE COMMISSIONER OF INSURANCE

AMENDING RULES

To amend Ins 2.15 relating to annuity benefit solicitation.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The purpose of this amendment is to change incorrect references to the Wisconsin Statutes in section Ins 2.15 and to remove from Appendix I, of the rule, the Wisconsin Buyer's Guide to Annuities, an inaccurate phrase relating to IRA's.

Sections 628.34 (10) and (11), Stats., were renumbered as 628.34 (11) and (12), respectively. [L. 1979, C. 109 § 3, eff. February 16, 1980.]

Section 628.34 (12), Stats., provides authority for and is interpreted by s. Ins 2.15.

Ins 2.15 (1) and (2) (b) have been amended to reflect this change.

IRA's used to be available only to those who were not eligible for a pension. The federal law, Individual Retirement Plans and Simplified Employee Pensions, which was published on August 19, 1981, now

permits anyone with a salary to buy an IRA. The Wisconsin Buyer's Guide to Annuities is required to be distributed under s. Ins 2.15 (8), Wis. Adm. Code. The Buyer's Guide has been amended to reflect this change.

Pursuant to the authority vested in the Commissioner by s. 601.43 (3), the Commissioner proposes to amend section Ins 2.15 which is authorized by and which interprets s. 628.34 (1), Stats., and s. 628.34 (12), Stats.

SECTION 1. Ins 2.15. ANNUITY BENEFIT SOLICITATION is amended as follows:

(1) FINDINGS. Information on file in the Office of the Commissioner of Insurance and submitted as Exhibit 4 at the hearing February 28, 1980, shows that some of the brochures, presentations, illustrations, and other sales materials which have been used by insurers and their representatives to sell annuity contracts to Wisconsin residents are confusing, misleading and incomplete, and that annuity purchasers are not receiving the information needed to make sound purchase decisions. The Commissioner of Insurance finds that such presentations and sales material are misleading, deceptive and restrain competition unreasonably as considered by ~~s. 628.34-(11), Stats.~~ s. 628.34 (12), Stats., and that their continued use would constitute an unfair trade practice under ~~s. 628.34-(10), Stats.~~ s. 628.34 (12), Stats., and would result in misrepresentation as defined and prohibited in s. 628.34 (1), Stats.

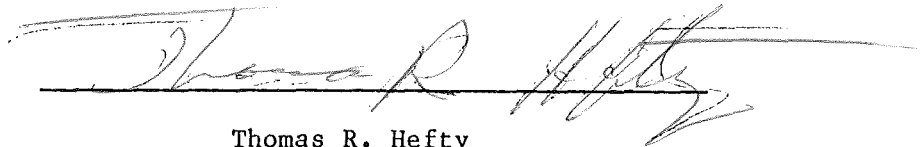
(2) (b) This section interprets and implements ~~s. 628.34-(1),~~
~~(10), and (11), Stats.~~ s. 628.34 (12), Stats.

SECTION 2. The 7th subparagraph of the division captioned
FINDING A GOOD BUY of APPENDIX I of s. Ins 2.15 Wisconsin Administrative
Code is amended to read:

- If you are thinking of buying an individual retirement
account (IRA), ~~available to those who are not eligible for a~~
~~pension~~, be sure that you are eligible for the IRA and that
you understand what will happen if you lose your eligibility
or are unable to continue payments for some other reason.

SECTION 3. This rule will take effect as provided under
s. 227.026 (1) (intro.), Stats.

Dated at Madison, Wisconsin, this 30 day of April, 1982.



Thomas R. Hefty

Deputy Commissioner of Insurance