

Chapter Ins 6

GENERAL

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Ins 6.01 Foreign company to operate 2 years before admission. Experience has demonstrated that until a company has engaged in the business of insurance for at least 2 years there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to transact business in Wisconsin will be considered until it has continuously transacted the business of insurance for at least 2 years immediately prior to the making of such application for license.

Ins 6.02 Company to transact a kind of insurance 2 years before admission. (1) Experience has demonstrated that until a company has engaged in a kind of insurance or in another kind of insurance of the same class for at least 2 years, there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business in such kind of insurance or another kind in the same class of insurance, are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to transact a kind of insurance business in Wisconsin will be considered until it has continuously transacted that kind of insurance, or another kind of insurance in the same class of insurance as that for which it makes such application; for at least 2 years immediately prior to making such application. For the purposes hereof, insurance is divided into kinds of insurance according to the provisions of section Ins 6.75 each subsection setting forth a separate kind, and into classes of insurance upon the basis of and including the said kinds as follows:

- (a) Fire insurance includes the kinds in section Ins 6.75 (2) (a).
- (b) Life insurance includes the kinds in section Ins 6.75 (1) (a) and (b) but excluding all insurance on the health of persons other than that authorized in s. 627.06, Stats., and section Ins 6.70, Wis. Adm. Code.
- (c) Casualty insurance includes the kinds in section Ins 6.75 (2) (c) through (n).

(2) Provided, however, that nothing herein shall preclude consideration of an application to transact the kind of insurance in Ins 6.75 (1) (e) or (2) (c) if the applicant company has transacted any of the kinds of insurance in Ins 6.75 (1) (a) and (b) or (2) (d), (e), (k) and (n) continuously for 2 years immediately prior to the making of application for license to transact the kind of insurance in Ins 6.75 (1) (e) or (2) (c).

History: 1-2-56; emerg. am. eff. 6-22-76; am. Register, September, 1976, No. 249, eff. 10-1-76; am. Register, March, 1979, No. 279, eff. 4-1-79.

Ins 6.05 Filing of property and casualty insurance forms. (1) **PURPOSE.** This rule is intended to implement and interpret s. 631.20, Stats., for the purpose of establishing filing procedures for certain property and casualty insurance policy forms.

(2) **SCOPE.** The requirements of this rule shall apply to insurance forms as defined in s. 600.03 (21) to be used to provide any of the lines or classes of insurance listed in Ins 6.75 (2) (a), (d), (e), (f), (g), (h), (i), (j), (l), (m) and (n).

(3) **DEFINITIONS.** In this rule, unless the context otherwise requires, the following words and terms shall have the following meanings:

(a) "Filing" shall mean:

1. Any matter submitted under this rule.
2. The act of filing such matter.

(b) "Basic policy forms" shall mean the basic insurance contracts used by any insurer including coverage parts or forms necessary to complete the contracts, amendatory endorsements needed to effect statutory compliance, and applications which become a part of an insurance contract.

(c) "Standard basic policy forms" shall mean any basic policy forms filed by a rate service organization licensed under s. 625.32, Stats.

(d) "Endorsement" shall mean any form or rider attached to a basic policy form which is not necessary to complete the basic contract nor effect statutory compliance, but is attached to either define, extend, limit, exclude, condition or otherwise alter coverage under the form.

(e) "Standard endorsements" shall mean any endorsements filed by a rate service organization licensed under s. 625.32, Stats.

(f) "Affiliated insurer" means an insurer who is a member or subscriber to a rate service organization licensed under s. 625.32, Stats., and who has authorized a rate service organization to make form filings on its behalf.

(4) **FILINGS REQUIRED.** (a) From a licensed rate service organization - A licensed rate service organization shall file all basic policy forms and endorsements intended for use in Wisconsin for the commissioner's prior approval. Such filing shall be accompanied by a duplicate transmittal letter which sets forth the same information as that required of individual insurers in paragraph (b). Upon approval, such filings will automatically apply to affiliated insurers.

(b) From an individual insurer - Each insurer shall file all basic policy forms, standard basic policy forms, endorsements and standard endorsements, as defined in the rule, for the commissioner's prior approval. Each filing shall be accompanied by a duplicate transmittal letter which sets forth the following:

1. A listing, by form number, title and edition date, of each basic policy form and/or endorsement included in the filing.

2. A listing, by form number, title, edition date and effective date, of each basic policy form and/or endorsement to be superseded by the filing.

3. The proposed effective date of the filing. Such effective date shall be not less than 30 days following the date of receipt of the filing by the commissioner.

4. With respect to basic policy forms, a summary of all changes resulting from the filing by paragraph and clause.

5. With respect to each endorsement, a listing of the basic policy forms with which the endorsement may be used unless such information is specified on the endorsement itself.

6. Each insurer shall maintain a file of basic policy forms and endorsements upon approval by the commissioner. The company's file shall be subject to examination by the commissioner's office and the commissioner may request any portion of the file to be submitted to the office within 10 days from the date of a written request; the file requested may be in original form or a copy of the original form. Such forms and endorsements shall be retained until all exposure on the risks insured against have terminated.

7. For information purposes, each insurer shall submit a listing of all basic policy forms and endorsements by form number, title and edition date that it intends to use in Wisconsin and shall update such list, as needed, but in no event less than once per year. A schedule shall be

adopted by the commissioner which will designate the calendar month for filing the listing by the various insurers and/or insurer groups. Such filing is required from each individual insurer and filings by "insurer groups" are not permitted. The listing of forms and endorsements submitted annually will become the permanent record of basic forms and endorsements for each insurer.

(5) **EFFECTIVE DATE.** The effective date of all form filings made by a rate service organization shall automatically apply to all affiliated insurers or non-affiliated insurers who have elected to adopt form filings of such organization.

(6) **PENALTY.** Any insurer violating the provisions of this rule by using a form which has not been approved by the commissioner shall be subject to the penalties set forth in s. 601.64, Stats. Each form issued to each policyholder contrary to the provisions of this rule shall constitute a separate violation of this rule.

History: Cr. Register, July, 1958, No. 31, eff. 8-1-58; am. (3), Register, May, 1975, No. 233, eff. 6-1-75; emerg. am. (1), eff. 6-22-76; am. (1), Register, September, 1976, No. 249, eff. 10-1-76; r. and recr. Register, November, 1977, No. 263, eff. 12-1-77; r. and recr. (4), Register, January, 1980, No. 289, eff. 2-1-80.

Ins 6.09 Prohibited acts by captive agents of lending institutions and others. (1) **PURPOSE.** This rule implements and interprets applicable statutes, including but not limited to ch. 628, Stats., prohibiting concerted acts of boycott, coercion, or intimidation resulting in or tending to result in unreasonable restraint of the business of insurance as unfair methods of competition and as unfair or deceptive acts or practices in the business of insurance.

(2) **DEFINITIONS.** (a) *Agent.* A natural person, other than a captive agent, holding a valid and current certificate of registration as an insurance agent and one or more valid and current licenses to represent one or