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WISCONSIN ADMINISTRATIVE CODE

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(b) So that the public may be protected, it will be necessary that each company doing an automobile liability insurance business in Wisconsin subscribe to the agreement below over signature of an officer of the company.

Agreement

This is to certify that the undersigned company will construe its automobile liability insurance policies as conforming to the applicable statutes and will adhere to the statutory provisions in handling claims and will notify its agents, adjusters, and attorneys accordingly.

(c) The use of any policy not strictly complying with the statutes by a company not certifying as herein provided will be considered a deliberate and intentional violation of the Wisconsin Statutes.

Ins 3.06 Automobile policies, endorsements invalid. (1) All automobile liability policies, including endorsements attached thereto, issued or delivered in the state of Wisconsin are subject to provisions of sections 204.30 and 204.34, Wis. Stats.

Sections 204.34 (1) and 204.30 (3), Wis. Stats., prohibit the issuance of any automobile liability insurance policy which excludes from the coverage:

- Persons who are of an age authorized by law to drive.
- Motor vehicles if used for unlawful purposes.
- Persons under the influence of intoxicating liquors or narcotics.
- Motor vehicles when engaged in transportation of liquor in violation of law.
- Motor vehicles operated in a reckless manner.
- The Named Insured.

Persons and organizations responsible for the operation of the automobile, if the automobile is used for the purposes and in the manner described in the policy, and if the automobile is operated or used with proper permission.

Companies, therefore, are prohibited, by virtue of the above described statutes, from contracting with the insured for less coverage than that demanded by the statutes. All endorsements which conflict with the foregoing requirement are invalid and, therefore, unenforceable.

Note: You may wish to refer to Olander vs. Klapprote, 263 Wis. 463, 57 N.W. 2nd 734.

(2) Some companies, in the general exclusions, exclude coverage with respect to any obligation arising from injuries suffered by any person who is the named insured. The Wisconsin Supreme Court has declared this to be a valid limitation upon coverage, hence the statements contained in this rule are not to be construed as attacking the validity of such exclusions.

(3) (a) The final effect is that all reimbursement provisions which have limitations in violation of the statutes should be discontinued. The most widely used reimbursement endorsements are the "More Automobiles Than Operators" and the "Named Driver."

(b) The reimbursement clause included in the policy in connection with insurance with respect to financial responsibility laws is authorized by reason of sections 85.09 (21) (h) and 85.09 (23) (a), Wis. Stats., and is not in conflict with the statutes first above described.

(4) So that the public and policyholders may be protected, it will be necessary for each company doing automobile liability insurance business in Wisconsin to submit any policy or endorsement which contains a reimbursement clause, other than the reimbursement clause described in the paragraph next above, to this department for examination before any such policy or endorsement may be used.

Ins 3.07 Rules in chapter 4, fire and allied lines insurance, applicable to casualty insurance. The following captioned rules under chapter 4, FIRE AND ALLIED LINES INSURANCE, are applicable to casualty insurance:

Ins 4.01 Mutual insurance companies operating on a post mortem assessment plan cannot limit assessments to a specified amount.

Ins 4.02 Nonassessable policies of mutual companies.

Ins 4.03 Policy, inspection and similar fees.

3.08, Cr. Act 1952 - Eff 11-1-52