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Section Ins 15.01 (11) (a), Wis. Adm. Code, requires that as a condition prerequisite to the continuation of a limited certificate of authority to transact a warranty business in Wisconsin, every warrantor and warranty plan administrator shall by March 31 of each year submit financial statements prepared on an accrual basis in accordance with generally accepted accounting principles and audited by an independent certified public accountant on the financial condition of such warrantor or warranty plan administrator for the preceding calendar year ending December 31.

Also required is a \$100 annual continuation of license fee to accompany the report.

The enclosed form OCI 27-002 is divided into two parts. Companies are required to complete both parts A and B. Part A asks for the "gross warranty fees and charges collected from Wisconsin consumers on warranty plans written or administered during the prior year." Do not leave this part blank; if the total gross amount collected is zero, please indicate as such. Part B has two sections. Companies must complete Section One or Section Two depending on the company's proof of financial security.

**Section One:** This section should be completed by companies who maintain a security deposit or letter of credit in compliance with s. Ins 15.01 (7), Wis. Adm. Code. Security provided shall be not less than \$50,000 plus 15% of all the warranty fees and charges collected from consumers for all unexpired warranty contracts in force in Wisconsin on January 1 of the current year.

**Section Two:** This section should be completed by companies who use insurance contracts procured through an insurer authorized to transact business in Wisconsin under which the insurer assumes your obligations arising out of a warranty contract issued in Wisconsin to the extent that the obligations are not fulfilled due to insolvency or other financial impairment of the warrantor, in compliance with s. Ins 15.01 (8), Wis. Adm. Code.

**For companies where Section One of Part B applies, include with this form a data file in Excel format, of Wisconsin policies whose total agrees to the amount in line (A) of Section One; this data file should include Policy Number, Policyholder Name, Policyholder Address, Effective Date, Expiration Date, Gross Amount Paid, Net Amount Paid, Sales Company Name, and Dealer Name (if applicable).**

Failure to file the above items in time will result in forfeiture pursuant to s. 601.64, Wis. Stat.

If you have any questions or concerns, please feel free to contact Mr. John Pollock at (608) 266-3325 or [john.pollock@wisconsin.gov](mailto:john.pollock@wisconsin.gov) or Ms. Kristin Forsberg at (608) 266-9896 or [kristin.forsberg@wisconsin.gov](mailto:kristin.forsberg@wisconsin.gov).

Enclosure



**FINANCIAL SECURITY REQUIREMENT  
AS OF DECEMBER 31, \_\_\_\_\_**

**Return this form by MARCH 31.  
Submit documentation of security with this form.**

Contact Name	E-mail Address	Contact Phone Number
Contact Address		
Warrantor (Obligor)	Administrator	
Warrantor Address	Warrantor Phone Number	

A. Gross warranty fees and charges collected from Wisconsin consumers on warranty plans written or administered during the prior year \_\_\_\_\_

**B. Complete either Section One or Section Two**

Section One:

Gross amounts collected on policies In force\* \$ \_\_\_\_\_ (A)  
 Required security based on policies in force \_\_\_\_\_ (B) (AX15%)  
 Required fixed security \$ 50,000 \_\_\_\_\_ (C)  
 Total financial security required \$ \_\_\_\_\_ (B+C)

Section Two:

Full name of insurer \_\_\_\_\_  
 Effective date \_\_\_\_\_  
 Expiration date \_\_\_\_\_

\* Includes all fees and charges collected on warranty contracts issued to Wisconsin consumers which are active as of January 1 of the current year. For example: If you write a four-year policy on January 1 with a fee of \$100, your required financial security from this policy would be \$15 in each of the four years the policy is in force.

**For companies where Section One of Part B applies, include with this form a data file, in Excel format, of Wisconsin policies whose total agrees to the amount in line (A) of Section One; this data file should include Policy Number, Policyholder Name, Policyholder Address, Effective Date, Expiration Date, Gross Amount Paid, Net Amount Paid, Sales Company Name, and Dealer Name (if applicable).**

Title of Officer	Name of Officer (type or print)
Date	Signature of Officer

*Pursuant to s. 601.72, Wis. Stats. Personal information you provide may be used for purposes other than that for which it was originally collected (s. 15.04(1)(m), Wis. Stats.)*