

State of Ohio
Department of Insurance
50 West Town Street, 3rd Floor, Suite 300
Columbus, Ohio 43215

BULLETIN NO. 2009-13

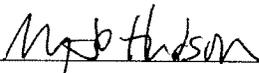
GUIDANCE GOVERNING THE GIVING OF PROMOTIONAL OR ADVERTISING ITEMS

Effective Date: October 1, 2009

The purpose of this bulletin is to provide guidance to insurance agents and insurance companies who wish to give promotional or advertising items to potential insureds in exchange for the opportunity to market insurance products. Ohio law generally prohibits the giving of something of value as an inducement to purchase insurance. Specifically, Revised Code section 3911.20 prohibits life insurance companies and their agents from giving any rebate of premium payable on the policy or any valuable consideration or inducement as an inducement to purchase insurance, while Revised Code section 3933.01 prohibits other than life companies and their agents from giving any rebate of premium on the policy or any valuable consideration or inducement not plainly specified in the insurance policy.

The Superintendent has determined that a promotional or advertising item or meal with a fair market value of fifty dollars or less is not a valuable consideration when the item or meal is given to induce an insured individual or a potential insured individual to obtain a policy quote or general insurance information and is not tied to the purchase of an insurance policy. Therefore, sections 3911.20 and 3933.01 of the Revised Code do not prohibit the giving of such items. "Fair market value" means the price for which a single comparable item of like kind and quality could be purchased in a retail transaction.

Agents and companies are reminded that any promotion must comply with all existing Ohio laws.



Mary Jo Hudson
Superintendent of Insurance