



Ohio Miscellaneous Regulatory Material  
DEPARTMENT OF INSURANCE  
BULLETINS

**Bulletin 88-3 Guaranteed issue life insurance  
advertising**

**Effective Date**  
September 20, 1988

The purpose of this Bulletin is to provide instruction to companies selling, soliciting or advertising Guaranteed Issue Life Insurance or a similar product in Ohio. Such companies are reminded that they must comply with the Ohio Administrative Rule 3901-1-6 as well as this Bulletin. This Bulletin is issued in furtherance of the Superintendent's duties to enforce the insurance laws of this State. R.C. 3901-011.

1) R.C. 3901.19 to .22 (the Unfair and Deceptive Practices Act) protects Ohio consumers from misleading advertising, including advertisements which appear on radio and television and in print. Whether an advertisement is misleading or deceptive may be determined from the overall impression that the advertisement may be reasonably expected to create. The Department will consider a Guaranteed Issue Insurance advertisement misleading and in violation of the Unfair and Deceptive Practices Act, unless it contains disclosures which substantially comply with the following:

A) Guaranteed Issue Life Insurance policies or similar policies which contain a return of premium clause shall state:

"This policy contains a return of premium clause, which means that if the policyholder dies with the first \_\_ amount of years from the time the policy is purchased, the beneficiary will not receive the face amount of the policy, but will only receive a return of the premium."

B) Guaranteed Issue Life Insurance policies or similar policies which contain a graded benefit clause shall state:

"This policy contains a graded benefit clause which means in order to receive the full benefits that this policy offers you must live \_\_ years beyond the date the policy is purchased."

C) Guaranteed Issue Life Insurance policies or similar policies which contain a reduction of benefits with an age clause or a term clause shall state:

"This policy contains a reduction of benefits with an age clause or term clause which means that as the policyholder gets older, the benefits will be reduced from year to year, therefore the older the policyholder gets, the fewer benefits he or she will receive."

2) If the image or voice of a "celebrity" is used in an advertisement, (television, radio, printed material), the advertisement shall disclose that the celebrity has been paid to endorse or advertise the policy.

A) In both audio-video or audio-only advertising, the disclosure shall be spoken by the

celebrity. In print advertising, the disclosure shall be in at least 12 point type and surrounded by a black line box. There shall be at least one-eighth ( 1/8) inch blank space between the black line box and the text of the disclosure. The box shall surround no other text or graphics.

B) "Celebrity" shall be defined as a person who is recognized, famous, or widely publicized and whose notoriety is a result of activities not involving insurance. A "celebrity" includes, but is not limited to, current or former entertainers, talk show hosts or announcers, models, athletes and politicians.

C) An advertisement shall make the disclosure that the celebrity has been paid to allow use of the celebrity's image or voice in the following manner:

#### VIDEO ADVERTISEMENT

"The insurance company offering this policy has paid me to appear in this advertisement."

#### AUDIO ADVERTISEMENT

"The insurance company offering this policy has paid me to tell you what you have just heard."

#### PRINT ADVERTISING

"(Name of celebrity) was paid so that (name of insurance company) could use his/her name and picture in this advertisement."

3) The disclosures required in this Bulletin shall also be contained in any written materials provided to a potential purchaser of a Guaranteed Issue Life Insurance policy and shall substantially comply with the following:

A) The disclosures shall be made on a separate document on which no other printed matter appears. The document shall be the first document a consumer sees when opening a packet of printed materials.

B) The heading on the document shall state in at least 12 point type that the disclosures herein are provided to comply with requirements mandated by the Ohio Department of Insurance.

4) An insurer may determine the precise language in which it makes disclosures required by this Bulletin provided the language used is clear and unambiguous. The disclosures required shall not be minimized, rendered obscure, or presented in an ambiguous fashion or intermingled with the text of the advertisement so as to be confusing or misleading. The Department considers the above language to be in accordance with the requirements of this Bulletin.

George Fabe  
Director of Insurance

CROSS REFERENCE 3901.011; 3901.19; 3901.22; RULE 3901-6-01

DATE NEW 1988

ODEN Life and Annuities  
ADVERTISING, SALES AND MARKETING

SUBJECT CATEGORY 020 - Life insurance / insurers

300 - The policy

700 - Trade practices

720 - Information practices

INDEX

Guaranteed issue policies and Advertising and Standards

Unfair and deceptive practices and Guaranteed issue policies and Advertising

Return of premium benefits and Guaranteed issue policies and Advertising

Graded death benefits and Guaranteed issue policies and Advertising

Testimonials and Guaranteed issue policies and Advertising

Life insurance and Guaranteed issue policies and Advertising