

## Ohio Revised Code

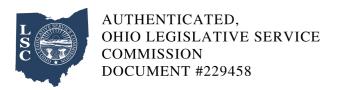
Section 3917.02 Insurance program not qualifying as group plan - notice to prospective insureds.

Effective: November 16, 2005

Legislation: House Bill 193 - 126th General Assembly

## (A) As used in this section:

- (1) "Direct response solicitation" means a solicitation through a sponsoring or endorsing entity through the mail, telephone, or other mass communication media.
- (2) "Sponsoring or endorsing entity" means an organization that has arranged for the offering of a program of insurance in a manner that communicates that eligibility for participation in the program is dependent upon affiliation with the organization or that the organization encourages participation in the program.
- (B) With respect to a program of life insurance that, if issued on a group basis, would not qualify as a policy of group life insurance under divisions (A) to (H) of section 3917.01 of the Revised Code, the insurer shall distribute a written notice to prospective insureds that compensation will or may be paid, if compensation of any kind will or may be paid, to one of the following persons:
- (1) A policyholder, or sponsoring or endorsing entity, in the case of a group policy;
- (2) A sponsoring or endorsing entity in the case of individual, blanket, or franchise policies marketed by means of a direct response solicitation.
- (C) The insurer shall distribute the notice required by this section whether the potential compensation is direct or indirect and whether the compensation is paid to or retained by the policyholder or sponsoring or endorsing entity or paid to or retained by a third party, or an entity affiliated with the third party by way of ownership, contract, or employment, at the direction of the policyholder or sponsoring or endorsing entity.
- (D) The notice required by this section shall be placed on or accompany an application or enrollment



form provided to prospective insureds.