



Marketing Guidelines – Materials and Sales Scripts

Purpose:

AMLI's commitment is to ensure that customers clearly understand the product before purchase. Therefore, it is the objective of the Company to provide advertising and sales promotion materials that are unambiguous as to purpose, and truthful and fair as to content and presentation. To achieve that, any advertising materials, as defined below, whether created by home office staff or AMLI producers, must have the written approval of AMLI's Legal and Compliance Department.

Many States have regulations that require the filing and approval of all advertising material prior to their use. However, AMLI's requirement regardless of the state is that all advertisements, marketing materials etc, will be submitted to AMLI's Legal and Compliance Department for review and approval prior to use. Use or distribution of any printed or televised advertisement prior to approval is a violation of AMLI's advertisement policy. In addition any change made to an already approved advertisement must also be submitted to AMLI for review and approval prior to its use. AMLI reserves the right to immediately cease and desist the use of any material distributed, printed, modified or aired without AMLI's written approval.

The central theme of all state laws and regulations governing advertising is that advertising must be complete and clear so as to avoid deception, and that such advertising must not have the capacity or tendency to mislead or deceive. Generally, discretion is left to the Commissioner of Insurance of each state based upon overall impression that the advertisement may reasonably be expected to create upon a person of average education or intelligence within the segment of the public to which it is directed.

Advertising must be compliant with the NAIC Guidelines set out in NAIC Model Regulation 40-1, and amended, as required to comply with additional requirements enacted by state regulations. Often, what is and is not "advertising" is not apparent. The NAIC Model defines the term "advertisement" to include virtually any marketing or sales practice in any medium designed to create interest in 1) an insurer, 2) producer, or 3) an insurance product. Therefore, any question as to what is meant by the word "advertisement" will most likely be resolved in favor of considering the material as a form of advertisement.

Generally, advertisement encompasses any materials that are used in conjunction with the marketing or sale of any AMLI product and/or service. That includes letters, newsletters, advertisements, third party materials, and seminar and training materials, regardless of the media used. Examples of advertising materials include:

Articles	Posters
Billboards	Print, radio, TV and all forms of media advertising
Business cards	Product brochures
Cassettes	Promotional items, such as pens, T-shirts and other premium items
Direct mail letters	Recruiting materials
E-mail, voice mail messages, fax mail	Sales Scripts
Fact finders	Slide presentations
Flyers	Software
Illustrations	Stationary
Informational releases	Testimonials and endorsements
Letters	Training and educational material
Mailers	Web Pages
Newsletters	
Newspaper ads	

Note that the above list is by no means exhaustive. Anything that is used to create interest in AMLI or an AMLI product will, for the purposes of this document, be construed as advertising.

Policy:

These guidelines are provided to assist you in understanding the fundamentals of ethical advertising; they are by no means exhaustive.

1. Materials should neither be slanted to target only those consumers whose medical conditions would otherwise prevent them from qualifying for major medical coverage nor discourage them from purchasing by actively soliciting only healthy enrollees.
2. We require all vendors and distributors to produce marketing pieces that are in accordance with the NAIC marketing guidelines. All advertisements and marketing pieces must be submitted to AMLI for approval prior to publication. The Legal and Compliance Department shall review all advertisement materials for compliance with State Insurance Laws. The advertising will be submitted to the Compliance Department who will maintain a system of control over the content, form and method of dissemination of all advertisements of its policies.
3. Advertising should avoid statements that are blanket such as “most charges covered” or “no copays or coinsurance”
4. Including rates in a marketing piece makes it an “invitation to contract” vs. an “invitation to inquire”. An “invitation to contract” has more rigid requirements.
5. Advertisements for policies with premiums that are modest because of their limited coverage or limited amount of benefits shall not describe premiums as "low," "low cost," "budget" or use qualifying words of similar intent. The use of words such as "only" and "just" in conjunction with statements of premium amounts when used to imply a bargain are prohibited.

6. Any advertisement that is an invitation to contract shall, in negative terms, disclose the extent to which any loss is not covered if the cause of the loss is traceable to a condition existing prior to the effective date of the policy. As an example, the use of the term "preexisting condition" without an appropriate definition or description shall not be used.
7. In general, advertising and sales promotional materials should be clearly understandable by someone not knowledgeable in insurance terminology and concerns. Use proper terminology when identifying the product and make it clear that you are discussing an insurance policy. If a product is not insurance or a discount plan or is not affiliated with AMLI, this must be clearly, and unambiguously disclosed in the advertisement.
8. AMLI requires disclosure which clearly notes the fact that in addition to insurance premiums the final membership fee charged to the member also includes the cost of membership in the association as well as other insurance benefits from other insurers and service packages offered with the program
9. There will be the need for certain descriptors on marketing materials. Standard caveats are contained below:

These benefits are provided under group insurance policy underwritten by American Medical and Life Insurance Company, under policy form number AMLI GRP LM 2007 POL. Coverage is subject to the company's underwriting guidelines, exclusions, limitations, terms and conditions of coverage as set forth in the insurance policy and certificate. The policy may be cancelled and rates may be increased at the insurer's option.

This insurance is not basic health insurance or major medical coverage and is not designed as a substitute for basic health insurance or major medical coverage. In some circumstances benefits provided will vary as required by state law and the plan may not be available in all states.

These plans are offered through (ABC ASSOCIATION) and require membership in the association. The association fee as well as the costs for the other benefits are included in the monthly rates.

10. Advertising materials, once approved by the Company, may only be used for its intended purposes. Records of all approved materials will be retained by the Company.

Procedure:

Prior to any marketing, the Company must review and approve all products included in a Program. The Program Manager may not use the Company's logo, service or trade marks or marketing materials without the Company's prior consent, which shall not be unreasonably withheld or delayed.

Any and all marketing materials, including solicitation letters, brochures, magazines or news articles concerning the Products prepared by Program Manager and/or Representatives shall be approved in writing by the Company before such materials are distributed. Unless agreed to by the Parties, the costs of preparation and distribution of such materials shall be borne by the Party preparing them