



Ohio Revised Code

Section 3921.191 Disclosure for applicants for contractual benefits.

Effective: September 6, 2012

Legislation: House Bill 341 - 129th General Assembly

(A) A fraternal benefit society shall provide an applicant for contractual benefits a disclosure statement at the time of sale substantially as follows:

" _____ (Name of the fraternal benefit society) IS LICENSED TO DO BUSINESS IN THE STATE OF OHIO. AS A _____ (not-for-profit, tax-exempt, self-governing, or membership organization), FRATERNAL BENEFIT SOCIETIES ARE NOT INCLUDED IN THE OHIO GUARANTY ASSOCIATION. THIS MEANS THAT FRATERNAL BENEFIT SOCIETIES CANNOT BE ASSESSED FOR THE INSOLVENCY OF OTHER LIFE INSURERS OR OTHER FRATERNAL BENEFIT SOCIETIES. BY LAW, A FRATERNAL BENEFIT SOCIETY IS RESPONSIBLE FOR ITS OWN SOLVENCY. IF THERE IS AN IMPAIRMENT OF RESERVES, A CERTIFICATE HOLDER MAY BE ASSESSED A PROPORTIONATE SHARE OF THE IMPAIRMENT. THIS PROCESS IS DESCRIBED IN THE CERTIFICATE ISSUED BY THE SOCIETY."

(B) The statement must be signed by the applicant and maintained in the certificate or contract file by the fraternal benefit society. The statement may be part of the society's membership application or certificate or policy application.

(C) This section is applicable only to new business written by a fraternal benefit society after the effective date of this section.
