

2790.0900 TESTIMONIALS, ENDORSEMENTS, OR COMMENDATIONS BY THIRD PARTIES.

Subpart 1. **Disclosure of interests.** If a person, group, or association making a testimonial, endorsement, or a commendatory statement concerning the insurer has a financial interest in the insurer or a related entity as a stockholder, director, officer, employee, or otherwise, the facts must be disclosed in the advertisement or representation, whether written or oral. If the person, organization, or association is compensated for making a testimonial, endorsement, or commendatory statement, the facts must be disclosed in the advertisement or representation, whether written or oral, by language fully disclosing that compensation was paid. This part does not require disclosure of union "scale" wages required by union rules if the payment is actually for the "scale" for television or radio performances. The payment of substantial amounts, directly or indirectly, for "travel and entertainment," for filming or recording of television or radio advertisements remove the filming and recording from the category of an unsolicited testimonial and require disclosure of the compensation.

Subp. 2. **Approvals or endorsements.** An advertisement or representation, whether written or oral, must not state or imply that an insurer or a policy has been approved or endorsed by any individual, group of individuals, society, association, or other organizations, unless that is the fact, and only if any proprietary relationship between an organization and the insurer is disclosed. If the entity making the endorsement or testimonial has been formed by the insurer or is owned or controlled by the insurer or by a person or persons who are in control of the insurer, the facts must be disclosed in the advertisement.

Subp. 3. **Genuineness.** A testimonial, endorsement, or commendatory statement used in an advertisement or representation, whether written or oral, must be genuine, represent the current opinion of the author, be applicable to the policy advertised, and be accurately reproduced.

Subp. 4. **General restrictions.** An insurer, agent, or agency shall not use a testimonial, endorsement, or commendatory statement in any advertisement or representation, whether written or oral:

- A. which is fictional;
- B. where the insurer, agent, or agency has some information indicating a substantial change of view on the part of the author;
- C. where more than two years have elapsed from the date of the testimonial or the last confirmation of the statement without obtaining a confirmation that the statement represents the author's current opinion;

D. which does not accurately reflect the present practice of the insurer, agent, or agency;

E. which refers to a policy other than the one for which such statement was given, unless the statement clearly has some reasonable application to the other policy;

F. in which a change or omission has been effected which alters or distorts its meaning or intent as originally written; or

G. if it contains a description of benefit payments which does not disclose the true nature of the insurance coverage under which the benefits were paid.

Statutory Authority: *MS c 60A; 72A*

History: *9 SR 175*

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