

## **“DO NOT CALL” LAW - FAQs**

Q: What is the new “Do Not Call” law?

A: The Federal Trade Commission (FTC) and Federal Communications Commission (FCC) have each issued regulations allowing consumers to register their telephone numbers on a national Do Not Call list. The regulations prohibit insurers from calling phone numbers on the national list. If consumers do receive a call, they can file a complaint that could result in fines and they could also file a lawsuit.

Q: When does the law take effect?

A: On October 1, 2003, federal authorities will begin enforcing the national Do Not Call list for phones registered by August 31, 2003. For phone numbers registered after September 1, 2003, enforcement begins after a three-month time period after the date of registration.

Q: Does the federal Do Not Call law supercede the state Do Not Call laws?

A: No, the federal law is not intended to preempt the state Do No Call laws. Instead, states will be encouraged to add their Do Not Call lists to the national list. Currently 37 states have Do Not Call laws. The requirements of the state laws must be followed as well as the federal rule.

Q: What phone numbers can be registered on the national Do Not Call list?

A: Cell phone numbers and residential phone numbers can be registered on the list. Business telephone numbers are not covered by the national Do Not Call list.

Q: What calls are covered by the law?

A: Calls that solicit sales of goods and services are covered by the law. It includes telemarketers who solicit consumers (often on behalf of third-party sellers) and sellers who are paid to provide, offer to provide, or arrange to provide goods or services to consumers. The type of calls impacted include cold-calling and referrals.

Q: What calls are permitted to consumers under the law?

A: Insurance agents may call:

1. Clients with who they have an established business relationship. Calls can be made for up to 18 months after their last purchase, last delivery, or last payment, unless the client asks the agent not to call again. Calls can also be made within 3 months of an inquiry or application regarding company specific products or services, unless the person called asks not be called again.
2. Individuals who have given prior express invitation or permission to be called. The prior express invitation or permission must be in writing, signed by the person called and contain the telephone number to be called.
3. Individuals the agent has a “personal relationship” with. A personal relationship is limited to a family member, friend or acquaintance of the personal making the call.

Note: The 90-day exemption for following up on leads, however, does not extend to generic leads. The applicable language from the FCC Rule states "on the basis of the subscriber's inquiry or application regarding products or services offered by the entity within the three months preceding the date of the call." The language in the FCC order stated "thus, we amend the definition of 'established business relationship' (EBR) to permit telemarketing calls within three (3) months of an inquiry or application regarding a product or service offered by the company."

Generic leads are usually generated by the vendor for them to sell, and are not obtained on behalf of a specific insurer.

Also, the FCC cautioned "any seller or telemarketer using the EBR as the basis for a telemarketing call must be able to demonstrate, with clear and convincing evidence, that they have an EBR with the called party." Agents should be advised to save leads as proof of the basis for the telemarketing call to a person who has placed their name on the federal do-not-call list.

Please also keep in mind their state requirements may be stricter in terms of using leads as an exemption from a state do-not-call law.

Q: What other restrictions on calls are being put into place?

- Calling times are restricted to the hours between 8:00 a.m. and 9:00 p.m. local time at the called party's location
- All calls, including calls through automatic dialers, must connect telemarketers to callers within 2 seconds to reduce hang-up calls. If a telemarketer is not standing by, a recorded message must play indicating who's calling and the number they're calling from. To give the consumer time to answer the phone, the telemarketer may not hang up before 15 seconds or four rings.
- The use of artificial and prerecorded voice is prohibited without prior express consent of the person called or unless there is an established business relationship.
- In January 2004, caller ID transmission will be required for telemarketers.
- In January 2005, unsolicited advertisements cannot be sent by fax without prior express permission in writing.

Q: What is the penalty for noncompliance?

A: Violators will pay a hefty price – federal fines up to \$11,000 per violation and state fines range from \$2,000 - \$25,000 per violation, as well as lawsuits filed by the person called.

Q: How can I be assured of being in compliance?

A: Mutual of Omaha is implementing a national solution with the help of a company called Gryphon Networks. The system provided through Gryphon is easy to use, portable, and affordable.

Q: Who is Gryphon Networks?

A: Gryphon Networks is a leading provider of automated privacy compliance solutions.

Q: How does the Gryphon system work?

1. The agent calls an 800 number that connects them to Gryphon.
2. The agent enters their Gryphon PIN number
3. The agent dials the prospect's telephone number
4. If the number is on one of the DNC lists, the call is blocked and the agent is informed why  
OR  
If the telephone number is not on a DNC list, the call goes through
5. If the prospect requests to be placed on the Mutual of Omaha DNC list, the agent can hit "#0" and the number is automatically added.

Q: What are the Do Not Call lists checked by the Gryphon system?

A: The Gryphon system checks the following Do Not Calls lists: National, Direct Marketing Association (DMA) Telephone Preference, state and Mutual of Omaha.

Q: What telephone number will the Gryphon system show on the prospects' Caller ID?

A: The telephone number you provide during the enrollment process. It should be the number you primarily use for your business.

Q: Do I have to use the telephone in my office to use the Gryphon system?

A: No, the Gryphon system is portable and can be used in the office, at home, on a cell phone or even a payphone.

Q: Am I required to use the Gryphon system?

A: No, but insurance agents are required to comply with all federal and state telemarketing requirements. If you elect not to use the system and it results in Mutual of Omaha being fined, the company will seek reimbursement from you. Any violation of any telemarketing requirement by you could lead to corrective action, including but not limited to, cancellation of your contract.

Q: What is the cost of using the system?

A: Mutual of Omaha will cover the costs for:

- Purchasing the necessary state and federal Do Not Call lists

You will be responsible for the Mutual of Omaha negotiated rates:

- The one-time \$30.00 Gryphon PIN license fee
- The \$10.00 monthly PIN fee
- A per call charge of \$.02 (to check the telephone number against the DNC lists)
- A per minute charge of \$.029

Charges will vary based on the volume of calls made. Based on an average calling time of 1 minute, 500 calls a month would cost about \$35.00

Q: When will the Gryphon system be available?

A: The system is ready to use now on an interim basis through Mutual of Omaha.

Q: How will I get a PIN number and 800 number?

A: Mutual of Omaha will assign you a PIN number and 800 number to use to access the Gryphon system.

Q: What training will be available on the Gryphon system?

A: Gryphon will make short, 15-minute training sessions available as well as online information.

Q: How will I be billed?

A: Interim costs will be billed to you by Mutual of Omaha. Ongoing costs will be billed directly to you through a credit card number you will provide at time of your official enrollment through the Gryphon Web site sometime within the next 30-60 days. Details on the official enrollment process will be provided when available.

Q: How do I get started using Gryphon Networks?

A: Call 1-800-693-6083.