**20:06:06:11.  Disclosure requirements.** Any application or other document disclosing the coverage provided for under credit life, credit health, credit property, or credit unemployment insurance shall clearly and prominently disclose the amount, type, and length of coverage provided or being applied for. If the credit insurance is associated with a loan that contains a balloon payment, the application and other documents provided to the insured shall clearly and prominently disclose whether or not the balloon payment is covered by the credit insurance. If the balloon payment is not covered, the mere listing of the number of months or other time frames for which the credit insurance provides coverage is insufficient disclosure. Separate and prominent disclosure that the balloon payment is not covered must be provided in any such application or other coverage or disclosure document. Examples of documents which do not comply with this section are found in Appendices A and B. This section applies to all applications taken and to any policy, certificate, or contract issued on or after September 1, 2006.

**Source:** 32 SDR 203, effective June 5, 2006.

**General Authority:** SDCL 58-19-34(9).

**Law Implemented:** SDCL 58-19-26, 58-19-44, 58-19-50.