

61—32.1(714B) Disclosures in advertisements of prize promotions that payments are not required.

An advertisement in which a sponsor offers a prize not requiring a payment, purchase or donation as a condition of awarding the prize, or as a condition of allowing the person to receive, use, compete for, or obtain information about the prize shall be deemed to have made a disclosure that a purchase, payment or donation is not required, in “immediate proximity” to each reference in the advertisement to a purchase, payment or donation, as required by Iowa Code section 714B.2(1) “b”(1), if:

1. The advertisement contains at least one such clear and conspicuous disclosure; and
2. The advertisement does not require a payment, purchase or donation as a condition of awarding the prize and does not contain more than one verbal or written request that a consumer debit a credit card or bank account, or mail, wire, overnight express, or similarly remit money or other property by any means directly to the sponsor or to a representative of the sponsor designated to collect payments to the sponsor in order to receive any “merchandise,” as defined in Iowa Code section 714B.1(2), other than the prize, or to make a charitable or other contribution, and the disclosure that no purchase or payment is required is in close proximity to such request. Without limiting the foregoing, a verbal or written request that a consumer purchase the sponsor’s product or service at a retail location or from the manufacturer of consumer goods regularly sold at retail establishments shall not be deemed a request that a consumer remit money or property covered by this paragraph.

This rule is intended to implement Iowa Code section 714.16 and chapter 714B.