

**INSURANCE  
DIVISION OF INSURANCE**

**Actuarial Services  
Standards for Contracts on a Variable Basis  
Standards for Individual Market Value Adjusted Annuities  
Unfair Discrimination  
Persistency Bonus**

**Adopted Repeals: N.J.A.C. 11:4-44.5 and 48.4  
Adopted Amendments: N.J.A.C. 11:4-44.2 and 48.2**

Proposed: September 16, 2002 at 34 N.J.R. 3194(a).

Adopted: January 3, 2003 by Holly C. Bakke, Commissioner, Department of Banking and Insurance.

Filed: January 3, 2003 as R. 2003 d.54, **without change.**

Authority: N.J.S.A. 17:1-8.1, 17:1-15e, 17B:30-1 et seq., 17B:25-18, 17B:25-18.1 and 17B:25-18.2.

Effective Date: February 3, 2003.

Expiration Date: November 30, 2005.

**Summary** of Public Comment and Agency Response:

The Department received one comment from Principal Life Insurance Company.

**COMMENT:** The commenter expressed its support for the Department's proposed amendment to N.J.A.C. 11:4-44.5, standards for individual market value adjusted annuities. The commenter stated that the amendment promotes uniformity among the states on an important regulatory issue, and that the majority of states do not require a separate account to be used for holding the market value adjusted deferred annuity product.

**RESPONSE:** The Department appreciates the commenter's support.

**Federal Standards Statement**

A Federal standards analysis is not required because the Department's adopted repeals and amendments do not exceed any Federal requirements or standards.

**Full text** of the adoption follows:

inoregs/bbmva