



**State of New Jersey**  
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**BULLETIN NO. 04-03**

**TO: ALL INSURANCE COMPANIES AND INSURANCE PRODUCERS**

**FROM: HOLLY C. BAKKE, COMMISSIONER**

**RE: VARIABLE LIFE AND VARIABLE ANNUITY AUTHORITY**

The purpose of this bulletin is to alert all interested parties to a possible error in the effective date of certain variable life and variable annuity authorities and to acknowledge that all requests for those authorities which were received prior to 12/31/2003 in compliance with N.J.A.C. 11:17-2.2(c) are effective as of 12/31/2003.

On November 4, 2002, the Department of Banking and Insurance adopted new and amended regulations implementing the Producer Licensing Act of 2001. In order to allow for a smooth and effective transition, the effective date of some of these regulations was delayed until December 31, 2003. One rule, N.J.A.C. 11:17-2.2(c), allowed producers licensed with life authority prior to November 4, 2002, and who also held a securities license, to continue to sell variable products until December 31, 2003. The rule also allowed a transition period, during which those producers could add variable authority to their license by providing, on a form prescribed by the Commissioner, their NASD license or registration number without the usual \$20.00 fee. The rule also provided that after December 31, 2003, no life producer could sell variable life or annuity products unless he or she had added the variable life and annuity authority to their producer license and had paid the \$20.00 fee.

The Department implemented the new State Based Systems license processing system to add these lines to current licenses. Licensees who submitted request forms received new licenses showing the variable authority. Due to the volume of requests, these additions took several months to complete.

It has come to the attention of the Department that during the several months required for completion of these additions some of the authorities may have been issued

showing the effective date as the date of issuance rather than as the retroactive date of December 31, 2003. Therefore, the Department is alerting all interested parties that the effective date for all variable life and variable annuity authorities issued on the basis of requests received by the Department that were in compliance with N.J.A.C. 11:17-2.2(c) is December 31, 2003.

4/6/04  
Date

/s/ Holly C. Bakke  
Holly C. Bakke  
Commissioner

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