



**State of New Jersey**  
DEPARTMENT OF BANKING AND INSURANCE  
LEGISLATIVE AND REGULATORY AFFAIRS  
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HOLLY C. BAKKE  
*Commissioner*

**BULLETIN NO. 05-02**

**TO: ALL LICENSED NEW JERSEY LIFE INSURANCE COMPANIES  
AND FRATERNAL BENEFIT SOCIETIES**

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

**RE: ADOPTION OF NEW AND AMENDED LIFE INSURANCE AND  
ANNUITIES REPLACEMENT RULES N.J.A.C 11:4-2.1 THROUGH  
2.8, APPENDICES A THROUGH C**

This Bulletin is to inform all licensed life insurance companies and Fraternal Benefit Societies of the adoption of new rules and amendments to the rules governing life insurance and annuities replacement, N.J.A.C. 11:4-2.1 et seq. The notice of the adoption of the new and amended rules was published in the New Jersey Register on November 1, 2004 (see 36 N.J.R. 4930). The notice of proposal of the new and amended rules was published in the New Jersey Register on May 3, 2004 (see 36 N.J.R. 2147).

The purpose of this Bulletin is to establish procedures for the submission to the Department of any material required to be provided in order to comply with the new and amended rules.

If a company intends to use a Notice that differs from those in Appendices A through C of the rules then the notice must be submitted for approval by the Commissioner. In such cases, the submission should include a copy of the notice, annotated to show how the notice deviates from Appendix A, B or C, as applicable. In addition, the submittal letter should identify the submission and should be addressed to:

Consumer Protection Services  
New Jersey Department of Banking and Insurance  
20 West State Street  
P. O. Box 325  
Trenton, New Jersey 08625-0325  
Attention: "Life/Annuity Replacement Form Filings"

Note that, pursuant to N.J.A.C. 11:4-2.3(b), in cases where revisions to the Notice described in Appendix A are limited to the deletion of references not applicable to the product being sold or replaced, no approval by the Commissioner of the revised Notice is required. There is no similar provision in the rules with respect to Appendices B and C.

Questions related to the Notices set forth in Appendices A, B and C may be directed to Consumer Protection Services at (609) 292-5316, extension 50170.

The rules also require that statements containing the applicant's responses to certain questions be submitted "with or as part of" the application and that replacing insurers provide to the policy or contract owner notice of their right to return the policy or contract within 30 days of delivery and receive: (a) in the case of a returned variable or market value adjusted policy or contract, a payment of the cash surrender value plus the fees and other charges deducted from the gross premiums or considerations or imposed under such policy or contract; or (b) in all other cases, an unconditional full refund of all premiums or considerations paid on the policy or contract, including any policy fees or charges. The rules permit the company to include text in a notice for these purposes in lieu of an application question or a policy or contract provision.

If the company is obtaining these statements by use of an application that will be attached to and made a part of the entire contract, then the application is technically subject to filing pursuant to N.J.S.A. 17B:25-18. Additionally, if the company intends to amend or revise the Right to Examine provision located on the face page of a previously approved or acknowledged life policy or annuity contract, then the amendment or revised form and /or face page must similarly be submitted pursuant to N.J.S.A.17B:25-18.

The Department has concluded that changes made to previously approved or acknowledged life policies, annuity contracts or applications intended solely to implement the new rules are of a nature that do not require a filing pursuant to N.J.S.A.17B 25-18(g).

Questions related to form filings may be directed to the Office of Life and Health at (609) 292 -5427, extension 50340.

Questions may also be submitted by mail to:

Office of Life and Health  
New Jersey Department of Banking and Insurance  
20 West State Street  
P. O. Box 325  
Trenton, New Jersey 08625-0325

1/27/05  
Date

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

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