

**CHAPTER 22****INSURANCE PREMIUM FINANCE COMPANY ACT****Authority**

N.J.S.A. 17:1-15(e) and 17:16D-7 and 8.

**Source and Effective Date**

R.1999 d.418, effective November 4, 1999.  
See: 31 N.J.R. 2672(a), 31 N.J.R. 4001(a).

**Executive Order No. 66(1978) Expiration Date**

Chapter 22, Insurance Premium Finance Company Act, expires on November 4, 2004.

**Chapter Historical Note**

Chapter 22, Insurance Premium Finance Company Act, was filed on May 8, 1980 as Emergency New Rule, R.1980 d.203, effective May 9, 1980. See: 12 N.J.R. 302(c).

Pursuant to Executive Order No. 66(1978), Chapter 22, Insurance Premium Finance Company Act, was readopted as R.1984 d.194, effective May 21, 1984. See: 16 N.J.R. 298(a), 16 N.J.R. 1196(c).

Pursuant to Executive Order No. 66(1978), Chapter 22, Insurance Premium Finance Company Act, was readopted as R.1989 d.307, effective May 12, 1989. See: 21 N.J.R. 661(a), 21 N.J.R. 1516(a). Pursuant to Executive Order No. 66(1978), Chapter 22 expired on May 12, 1994.

Chapter 22, Insurance Premium Finance Company Act, was adopted as new rules by R.1994 d.562, effective November 7, 1994. See: 26 N.J.R. 2697(a), 26 N.J.R. 4348(a).

Pursuant to Executive Order No. 66(1978), Chapter 22, Insurance Premium Finance Company Act, was readopted as R.1999 d.418, effective November 4, 1999. See: Source and Effective Date.

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**SUBCHAPTER 1. PREMIUM FINANCE AGREEMENT****3:22-1.1 Premium finance agreement**

(a) There shall be disclosure in each premium finance agreement of the key elements prior to the signature of the insured in accordance with the requirements set forth in N.J.S.A. 17:16D-9 and (c) below.

(b) A continuous payment agreement which authorizes renewable or continuing arrangements is prohibited.

(c) Companies shall utilize separately signed premium finance agreements for each personal lines policy, renewal, addition or change on which the premium is to be financed. With respect to the premiums on commercial policies, companies may utilize either separately signed agreements, or one premium finance agreement covering multiple commercial policies, renewals, additions or changes where the commercial policies to which the single premium financing agreement pertains are issued through the same producer. Regardless of whether they finance one or multiple policies, all premium finance agreements shall disclose current conditions and provisions applicable to each loan.

(d) This rule shall apply to insurance premium finance companies doing business or authorized to do business in the State of New Jersey.

Repeal and recodification, R.1984 d.346, effective August 20, 1984.

See: 15 N.J.R. 1707(a), 16 N.J.R. 2264(a), 17 N.J.R. 990(a).

Repealed sections 1.1, 1.2 and 1.3 and recodified old 1.4 as new 1.1. Old 1.1 was "Maximum finance charge rate permissible."

Amended by R.1989 d.307, effective June 5, 1989.

See: 21 N.J.R. 661(a), 21 N.J.R. 1516(a).

In (b), (c) and (d): Corrections and stylistic changes.

Amended by R.2004 d.389, effective October 18, 2004.

See: 36 N.J.R. 1154(a), 36 N.J.R. 4813(a).

In (a), substituted "shall" for "must", "each" for "the", "finance" for "financing" and inserted "and (c) below" following the N.J.S.A. reference; rewrote (c).

**3:22-1.2 Annual report; fee**

Each insurance premium finance company licensee shall file, on or before February 1, an annual report as mandated by N.J.S.A. 17:16D-7. The licensee shall remit a fee of \$100.00 for each such report filed. The Department shall assess a \$50.00 penalty against any licensee for each report the licensee files late.

New Rule, R.1995 d.655, effective December 18, 1995.

See: 27 N.J.R. 3655(a), 27 N.J.R. 5011(a).

**3:22-1.3 (Reserved)**

Repealed by R.1984 d.346, effective August 20, 1984.

See: 15 N.J.R. 1707(a), 16 N.J.R. 2264(a), 17 N.J.R. 990(a).

Was "Term of regulation."

**3:22-1.4 (Reserved)**

New Rule, R.1984 d.194, effective May 21, 1984.

See: 16 N.J.R. 298(a), 16 N.J.R. 1196(c).

Amended by R.1984 d.346, effective August 20, 1984.

See: 15 N.J.R. 1707(a), 16 N.J.R. 2264(a), 17 N.J.R. 990(a).

Recodified old 1.4 as new 1.1.