

1. Prior to expiration of the current license term, each licensee shall submit a properly completed renewal application, including electronic online submissions, together with payment of renewal fees in accordance with N.J.A.C. 11:17-2.12. The renewal application shall be signed, dated and certified to be correct by the licensee or a licensed officer, partner, owner or designated licensed responsible producer of a licensed business entity, or an authorized submitter for electronic online submissions. The licensee shall certify that he, she or it continues to be qualified in accordance with the insurance laws of New Jersey.

(b) Failure to submit the renewal application for receipt by the date of expiration shall be deemed to establish that the license expired on the expiration date shown, and that the licensee was not thereafter authorized to engage in any activities for which the license is required.

(c) If an applicant's license has lapsed for a period of less than one year, the applicant may apply for late renewal of the license within one year of the date the license expired if evidence of the following is provided:

1. Proof of completion of continuing education credits when required by N.J.A.C. 11:17-3.6;
2. The applicant's certification which shall state whether or not the applicant has transacted any business as an insurance producer during the unlicensed period and, if so, the number of policies written, renewed or modified by endorsement or other means; and
3. Late renewal fee as provided by N.J.A.C. 11:17-2.12.

(d) An applicant who files a late renewal request within one year of the license expiration date shall be granted a waiver from the preclicensing education and examination requirement set forth in N.J.A.C. 11:17-3.4 and 3.5.

Amended by R.1993 d.507, effective October 18, 1993.
 See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).
 Amended by R.2002 d.354, effective November 4, 2002.
 See: 34 N.J.R. 2286(a), 34 N.J.R. 2549(b), 34 N.J.R. 3839(a).
 Rewrote the section.
 Amended by R.2006 d.429, effective December 18, 2006.
 See: 38 N.J.R. 2378(a), 38 N.J.R. 5369(a).
 Rewrote (a)1; deleted (c); recodified former (d) and (e) as (c) and (d); and in (d), updated the N.J.A.C. references.
 Amended by R.2009 d.153, effective May 4, 2009.
 See: 40 N.J.R. 6523(a), 41 N.J.R. 2014(c).
 In (a)1, substituted "Prior to expiration of the current license term" for "At least 10 days before the license expiration date"; and in the introductory paragraph of (c), substituted "if evidence of the following is provided" for "provided the following is attached to the application".

11:17-2.6 Additional authorities

(a) A currently licensed individual producer may obtain additional authorities as described in N.J.A.C. 11:17-2.2 by submitting a written request to the Department or by completing an online application, which may be submitted by an authorized submitter, and by providing the following:

1. The producer's name, residence and business addresses, contact information and New Jersey Producer License Reference Number or National Producer Number;

2. If a resident, a certificate evidencing completion of an approved course of preclicensing education, if required, or a certificate evidencing waiver of this requirement, and a certificate evidencing that the applicant has passed the State licensing examination for the authority or authorities requested not longer than one year prior to the application date, or a certificate evidencing waiver of this requirement;

3. If a nonresident, certification from the applicant that he, she or it holds a current license with comparable authority in the home state; and

4. Payment of the processing fee as required by N.J.A.C. 11:17-2.12.

(b) A currently licensed business entity producer may obtain additional authorities as described in N.J.A.C. 11:17-2.2 by submitting a written request to the Department dated, signed and certified to be correct by a licensed officer, partner, owner or designated licensed responsible producer who holds or has applied for that authority or by completing an online application, and by providing the following:

1. The business entity's name, address, contact information and New Jersey Producer License Reference Number or National Producer Number; and, if signed by the designated licensed responsible producer, the New Jersey Producer License Reference Number or National Producer Number of the designated licensed responsible producer;

2. If a nonresident applicant, certification from the applicant that it holds a currently valid license with the comparable authority in its home state; and

3. Payment of the processing fee described in N.J.A.C. 11:17-2.12.

Amended by R.1993 d.507, effective October 18, 1993.
 See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).
 Amended by R.2002 d.354, effective November 4, 2002.
 See: 34 N.J.R. 2286(a), 34 N.J.R. 2549(b), 34 N.J.R. 3839(a).
 Rewrote the section.
 Amended by R.2006 d.429, effective December 18, 2006.
 See: 38 N.J.R. 2378(a), 38 N.J.R. 5369(a).
 In the introductory paragraph of (a), inserted "a written request to the Department or by completing an online application, which may be submitted by an authorized submitter, and by providing"; rewrote (a)1; in (a)2, inserted "not longer than one year prior to the application date,"; in (a)3, inserted " and" at the end; and rewrote the introductory paragraph of (b) and (b)1.

11:17-2.7 Legal and business names; addresses

(a) No resident licensed individual producer shall conduct insurance business under a name other than his or her legal name unless the name has been filed with and approved by the Department. Nothing in this section shall prohibit the transaction of business under the licensee's legal name and the words "agency," "insurance agency," "brokerage" or words determined by the Department to be of similar import.

Issuance of a license containing the name shall serve as notice of approval.

(b) No nonresident licensed producer shall conduct business under a name other than its legal or business name in the state where it maintains a resident license.

(c) No resident business entity shall conduct insurance business unless the business name has been filed with and approved by the Department. Issuance of a license containing the name shall serve as notice of approval.

(d) Standards for business names are as follows:

1. No business name shall have the capacity or tendency to be misleading or deceptive;

2. No business name shall be identical or confusingly similar to the business name of another currently licensed resident producer;

3. If the word "insurance" or its equivalent is contained in the name, it must be joined with wording such as "agency" or "brokerage" to distinguish the entity from an insurance underwriting company;

4. No business name shall express or imply any identification or affiliation with a Federal, State or other government entity, including any department, division, bureau or subdivision of such entities nor shall it misleadingly imply identification with a not-for-profit organization;

5. No business name shall consist of or include any franchise designation except in accordance with procedures approved by the Commissioner; and

6. No business name shall contain the name of, or imply any affiliation with, a producer whose license has been revoked, terminated, suspended or voluntarily surrendered for cause.

(e) A resident applicant may obtain prior Departmental approval of a proposed business name before the filing of the name with the Department of Treasury, Division of Revenue Business Services, County Clerk or other authority by submitting the proposed name or names for consideration. Prior approvals of names shall expire 90 days after the date of prior approval if no license application is received by the Department.

(f) The requirements for business addresses and notification of change of business mailing or location address, residence address, phone number and email address, are as follows:

1. All licensees shall provide the Department with a complete and current business mailing address, and, if different, a street or location address, phone number and, if applicable, email address. Individual licensees shall also provide the Department with a complete and current residence address, phone number and, if applicable, email address.

2. All licensees shall provide in the format prescribed by the Department notification of any change of business mailing or location address, residence address, phone numbers and email addresses within 30 days of the change and maintain a proof of notification for five years or until receipt of a license or other documentation from the Department showing the new address. Licensees may submit changes of address online through the National Insurance Producer Registry at www.nipr.com.

3. Any legal process issued pursuant to the statutory authority of the Commissioner including, but not limited to, subpoenas, orders and orders to show cause may be served by sending the documents to the business mailing or residence address of the licensee then on file with the Department.

(g) A licensee shall advise the Department of a change of any legal name, business name or a change of the address which appears on the license by electronic submission or by submitting a written request signed by the producer or a licensed owner, officer, partner or designated licensed responsible producer of the business entity indicating the change required and, in the event of a name change, appropriate supporting documentation of the change. No fee shall be required for such changes. If the notice is to change a legal or business name of a resident business entity, the business name shall be approved by the Department in accordance with (b) above and the hard copy request shall be accompanied by a copy of the document filed in the Department of Treasury, Division of Revenue Business Services, County Clerk or other authority evidencing that the change has been properly recorded or, if the notice is given by electronic means, a copy of the authority shall be immediately mailed to the Department.

Amended by R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

Amended by R.2002 d.354, effective November 4, 2002.

See: 34 N.J.R. 2286(a), 34 N.J.R. 2459(b), 34 N.J.R. 3839(a).

Rewrote the section.

Amended by R.2003 d.441, effective November 3, 2003.

See: 35 N.J.R. 2159(a), 35 N.J.R. 5115(a).

In (f)2, substituted "30" for "20" preceding "days".

Amended by R.2006 d.429, effective December 18, 2006.

See: 38 N.J.R. 2378(a), 38 N.J.R. 5369(a).

In the introductory paragraph of (f), substituted a comma for "and" preceding "residence" and inserted " , phone number and email address,"; in (f)1, inserted " , phone number and, if applicable, email address" two times; in (f)2, substituted a comma for "and" preceding "residence", inserted "phone numbers and email addresses", and deleted "new or renewed" preceding "license"; and rewrote (g).

Amended by R.2009 d.153, effective May 4, 2009.

See: 40 N.J.R. 6523(a), 41 N.J.R. 2014(c).

In (f)2, inserted the last sentence.

Case Notes

Respondents' limited insurance representative registrations and current insurance licenses were properly revoked after they used unregistered trade names while conducting bail bond business in the State, in violation of this section, and charged an illegal fee for services they did not provide, as prohibited by N.J.A.C. 11:17B-3.1(a) (adopting, as modified, 2008 N.J. AGEN LEXIS 922). Comm'r of Banking & Insurance v. Petrone, OAL Dkt. No. BKI 2436-06, 2008 N.J. AGEN LEXIS 1251, Final Decision (December 11, 2008).

Revocation of insurance producer licenses was proper where respondents, an individual and her company, failed to notify the Commissioner of changes in her business address within the time permitted (modifying 2008 N.J. AGEN LEXIS 758). *Goldman v. Montesinos*, OAL Dkt. No. BKI 12544-07, 2008 N.J. AGEN LEXIS 1022, Final Decision (September 19, 2008).

Submitting documentation to create false impression as to writing of service fee agreements was dishonesty warranting revocation of license as insurance producer. *Fortunato v. Watley*, 95 N.J.A.R.2d (INS) 23.

11:17-2.8 Branch offices

(a) Except for licensees with authority in only ticket insurance, group mortgage cancellation insurance, legal insurance, credit insurance, car rental insurance, travel insurance or self-storage personal property insurance, licensees shall file with the Department by hard copy or electronic means a branch office registration form within 30 days before business is first conducted there. A branch office registration form shall be accompanied by the processing fee specified in N.J.A.C. 11:17-2.12. The appropriate registration form will be prescribed by the Department.

(b) Upon receipt of a properly completed branch office registration form and fee, the Department shall enter information confirming the registration of the branch office into its producer licensing database. Branch office registrations shall expire contemporaneously with the producer's own license. The branch office registration shall not authorize the transaction of business at any location other than that named on the accepted registration form.

(c) The licensee shall advise the Department in writing by hard copy or electronic means of the closing of any branch office within 30 calendar days of the closing.

(d) A branch office shall be open to the public during such hours and days of the week as to provide the public reasonable access to the branch office. The branch office shall post the hours and days of operation in a manner reasonably calculated to inform the public.

(e) No branch office may engage in insurance related conduct unless at least one licensed individual insurance producer is present. The requirements of this section shall not preclude a branch office from remaining open to service accounts while the assigned producer is temporarily absent, and shall not permit unlicensed individuals to engage in any activities for which a license is required.

Amended by R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

Amended by R.2002 d.354, effective November 4, 2002.

See: 34 N.J.R. 2286(a), 34 N.J.R. 2549(b), 34 N.J.R. 3839(a).

In (a), inserted "by hard copy or electronic means" following "the Department"; in (c), inserted "by hard copy or electronic means" following "in writing"; rewrote (e).

Amended by R.2003 d.441, effective November 3, 2003.

See: 35 N.J.R. 2159(a), 35 N.J.R. 5115(a).

In (a), rewrote the first sentence.

Amended by R.2006 d.429, effective December 18, 2006.

See: 38 N.J.R. 2378(a), 38 N.J.R. 5369(a).

In (a), inserted ", car rental insurance, travel insurance"; rewrote (b); and in (c), substituted "30" for "20" and deleted "by returning the branch office certificate for cancellation" from the end.

11:17-2.9 Business relationships

(a) The agency relationship between company and producer is subject to the following requirements:

1. An agency relationship between an insurance company and licensed producer is established by written con-

tract executed by both parties. Both parties shall maintain copies of agency contracts and make them available for inspection by the Department upon request.

2. An insurance company contracting with a licensed insurance producer shall be responsible to advise the Department of that relationship by filing a notice within 15 days after execution of the contract or within 15 days after the first insurance application is submitted by the producer, on a form prescribed by the Department or by using the online appointment and termination system available through the National Insurance Producer Registry, incorporated herein by reference, as amended and supplemented, located at <http://www.nipr.com> containing the company's name and license reference number; the producer's name and license reference number; and the effective date of the contract. The form shall contain the name and title of the company official who signed and certified the notice. The fee set forth in N.J.A.C. 11:17-2.12 for each appointment shall be collected from the insurer.

3. Prior to executing any agency contract, the insurance company shall determine that the producer is properly licensed with authority for the kinds of insurance described in the contract. The insurance company shall not accept any business produced prior to a person's licensure nor shall an insurance company pay commissions to any person for any business produced prior to licensure. The company officer executing the notice shall certify that he or she examined the credentials of the producer and is satisfied that the producer is currently licensed with the authorities for one or more of the kinds of insurance for which the company is authorized.

4. Unless otherwise specified in the notice, filing a notice of agency contract shall be deemed to mean that the producer is that company's agent for all kinds or lines of insurance for which the company and producer are jointly authorized.

5. All appointment notifications shall be renewed with the Department annually on May 1. An insurer shall utilize the online appointment renewal process available through the National Insurance Producer Registry, incorporated herein by reference, as amended and supplemented, located at <http://www.nipr.com>. The renewal appointment fee as set forth in N.J.A.C. 11:17-2.12 shall be collected from the insurer. All active appointments on record with the Department as of April 1 of the same year shall be subject to renewal.

6. The agency contract shall be deemed to continue in effect until a notice of termination of that contract is filed by the insurance company with the Department on a form prescribed by the Commissioner or by using the online appointment and termination system available through the National Insurance Producer Registry, incorporated herein by reference, as amended and supplemented, located at <http://www.nipr.com>. The fee set forth in N.J.A.C. 11:17-2.12 for each termination shall be collected from the insurer.

7. If the reason for termination involves misconduct by the producer, an additional copy of the notice of cancellation which specifies the reason for termination shall be mailed by the insurance company to the Department's Enforcement Unit, PO Box 329, Trenton, NJ 08625-0329 together with an outline of available information and documentation.

8. The insurer shall make a good faith attempt to collect from producers all company brochures, solicitation or other related materials subsequent to termination. This requirement shall not apply to underwriting guidelines and other materials required for use during the time the producer continues to service policies following termination, as provided by contract or pursuant to N.J.S.A. 17:22-6.14a1.

9. Notwithstanding the lack of any contract establishing an agency relationship, any insurer that delivers in this State to any insurance producer a contract of insurance pursuant to the application or request of such producer, acting for an insured other than himself, shall be deemed to have authorized such producer to receive on its behalf payment of any premium which is due on such contract at the time of its issuance or delivery or the payment of any installment of such premium or any additional premium which becomes due or payable thereafter on such contract, providing such payment is received by the producer within 90 days after the due date of the premium or installment or after the date of delivery of a statement by the insurer of such additional premium.

(b) The employment of another producer by a producer is subject to the following requirements:

1. Licensed producers may enter into employment contracts by which the employed producer (employee) conducts business under the supervision of and in the name of an employing producer (employer). The employment contract shall be in writing and shall specify that it does not include all license authorities of the parties, if such is the case. Both parties shall retain copies of the contract and shall make them available to the Department upon request.

2. The employer shall examine the credentials of the employee to determine that he or she is licensed to conduct the kinds of business described in the contract.

3. An employee may, if authorized by the employer and any insurance company for which the employer is an agent, execute the employer's name to contracts of insurance in accordance with a written agency contract.

4. An employer shall be responsible for the insurance-related conduct of an employee. In any disciplinary proceeding, the existence of the employment contract shall be prima facie evidence that the employer knew of the activities of the employee.

5. Existence of a business relationship between two licensed producers by which each acts as an independent contractor shall not require the filing of any notice in accordance with this subchapter, nor create any responsibility

for the acts of the other in the absence of knowledge or concerted action.

Amended by R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

Amended by R.2002 d.354, effective November 4, 2002.

See: 34 N.J.R. 2286(a), 34 N.J.R. 2549(b), 34 N.J.R. 3839(a).

In (a), rewrote 2, 5 and 6; in (b), deleted the first sentence in 2 and substituted "subchapter" for "provision" in 5.

Amended by R.2006 d.429, effective December 18, 2006.

See: 38 N.J.R. 2378(a), 38 N.J.R. 5369(a).

Rewrote (a)2; added new (a)5; recodified former (a)5 through (a)8 as (a)6 through (a)9; and in (a)6, inserted the final sentence.

Amended by R.2009 d.153, effective May 4, 2009.

See: 40 N.J.R. 6523(a), 41 N.J.R. 2014(c).

In (a)2, (a)5 and (a)6, updated the web addresses; and in (a)7, deleted the former first sentence and inserted "for termination" and "which specifies the reason for termination".

11:17-2.10 Continuation of business of a producer who becomes disabled, dies or enters the Armed Forces

(a) Pursuant to the provisions of the Act, a surviving spouse, or court-appointed personal representative of a deceased or disabled producer, or a member or employee of a business entity in which the licensed producer, who was the designated officer or owner responsible for the licensed activity of the business, dies or becomes disabled, or a designee of a producer entering active service in the Armed Forces of the United States of America may submit a request for a temporary license by hard copy or electronic means, containing the names, addresses and license numbers of the producers involved and the reason for the request. No temporary license shall last for a period longer than 180 days.

(b) As a condition of issuance of a temporary license, the Commissioner shall require the applicant to designate a sponsor who is licensed as a producer in this State or is an insurer authorized to write insurance in this State.

(c) If the sponsor or holder of a temporary license sells, assigns or otherwise transfers ownership of the insurance business prior to the expiration of the temporary license, the license shall cease to be valid and shall be surrendered to the Department.

New Rule, R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

Public Notice: Receipt of and action on petition for rulemaking.

See: 28 N.J.R. 4680(a).

Amended by R.2002 d.354, effective November 4, 2002.

See: 34 N.J.R. 2286(a), 34 N.J.R. 2549(b), 34 N.J.R. 3839(a).

Rewrote the section.

11:17-2.11 Licensing information requirements

(a) The following requirements relate to the provision of criminal history information by licensed producers and license applicants.

1. An applicant for an initial individual resident license shall complete an electronic fingerprint scan through the vendor approved by the Department, pay the fees required