

NEW JERSEY PERSONAL AUTOMOBILE INSURANCE PLAN

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NEW JERSEY PERSONAL AUTOMOBILE INSURANCE PLAN INFORMATION BULLETIN-APPLICATION FOR CERTIFICATION

Pursuant to NJSA 17:29D-1, the New Jersey Personal Automobile Insurance Plan (NJPAIP) was established effective October 1, 1992 to make personal automobile insurance coverage available for automobiles owned or operated by qualified applicants.

The Plan of Operation and Manual of Rules and Rates for the NJPAIP was approved by the New Jersey Department of Banking & Insurance.

As filed, the NJPAIP requires that producers must be certified by the Governing Committee of the NJPAIP in order to transact business through the NJPAIP. Only certified producers are permitted to purchase applications, ID cards and other NJPAIP forms.

This bulletin provides the instructions for the newly developed Application for Certification as currently filed. Should there be any change to these rules, producers will be notified immediately.

Certification Requirements

To become a certified producer one must:

- Hold a valid New Jersey Property/Casualty license:
- Purchase and maintain a subscription to the NJPAIP Manual, or subscribe to the electronic version (e-manual) at www.aipso.com/nj (see page 2 for Manual requirement information)
- Complete the Producer Procedures course prior to applying for certification (see page 2 for further clarification on the Producer Procedures Course Requirement)
- Complete the Application for Certification and submit to the Plan with all necessary documents as indicated

How to complete the Application for Certification

Clearly type or print the information requested in each section of page 1. Depending on whether the producer is applying as an individual producer, an agency, or as an agency with branch offices, certain sections of the application apply specifically to that producer or entity. Should one of these sections not apply to you, simply print "N/A" or leave the space blank.

Answer each of the 11 questions on Page 2 of the application. Should any of your answers require further information, make sure to include such documentation with the application.

Complete page 3, the Undertaking Section, by listing all individuals who will transact business in the appropriate spaces. Each of these individuals should affirm that the statements made in the application are true and that they understand and agree with the Undertaking section by signing the application next to their printed name. If further space is provided, the supplemental page may be used.

Upon completion of the above, mail application and required documents to the address listed below or fax to 856-722-9382. Should you have any questions, feel free to contact customer service at 856-722-0030

Who must obtain the NJPAIP Plan of Operation and Manual of Rules and Rates

- Each person seeking certification as an individual.
- Each agency seeking certification.
- Each branch office of a certified agency.

An individual who is an employee producer of a certified agency may, but is not required to, obtain a manual subscription.

An individual, agency or branch office which desires to purchase a paper manual must do so by attaching a check to the application for certification in the amount of \$55.00 plus applicable tax (\$58.30 for NJ residents) payable to NJPAIP. The manual price includes revision and reprint services for one year. Future reprints, revisions and updates will be billed on an annual basis.

The NJPAIP manual is available via the Internet. Manual Holders with Internet access may view the electronic manual (e-manual), **free of charge**, by logging on to the New Jersey website, www.aipso.com/nj. The manual may be viewed on-line, or be downloaded for off-line viewing and printing. Manual Holders may also sign up for an automatic service which will notify them via e-mail whenever the manuals are updated. There is no charge for the e-mail update notice service. Users may subscribe at any time by submitting their e-mail address to AIPSO using the sign up page provided on the Plan website. Neither the **Symbol and Identification Manual**, nor the **Portfolio of Policy Forms and Endorsements**, are currently available in electronic format.

Currently, the Plan requires that producers purchase and maintain a subscription for updates to the manuals for the duration of the period of certification. Those producers who choose to rely on the e-manuals to meet this requirement will be required to subscribe to the e-mail update notices by entering the appropriate e-mail address information on the website. Also, when necessary, the Plan may require certified producers who rely on the e-manual to demonstrate that he/she has access to the e-manual and has subscribed to the e-mail update notices.

Who is Required to Complete the Producer Procedures Course?

In addition to the following, all producers must attend the Producer Procedures Course before applying for certification and prior to submitting the Application for Certification to the Plan:

- A) All employee producers added to an agency's certification must take the course prior to be added to the certification of the agency, if such employee producer has not previously completed the course, and has not had more than a consecutive six month period where they were not considered an employee producer for a certified Plan Producer
- B) All principals of agencies who will transact business on behalf of Plan applicants/insureds must complete the course prior to the agency's request for certification being approved

The "producer" referred to above is the individual or entity seeking certification who is licensed to transact automobile insurance in the State of New Jersey. In all cases where the producer is an entity other than an individual, the above requirements, as applicable to employee producers, shall also apply to all principals of said entity.

NEW JERSEY PERSONAL AUTOMOBILE INSURANCE PLAN APPLICATION FOR CERTIFICATION

THIS FORM AND ALL NECESSARY DOCUMENTATION MAY BE FAXED TO NJPAIP AT (856) 722-9382

PRINT IN INK OR TYPE APPLICATION

MAIL APPLICATION AND COPY OF LICENSE TO: NJPAIP CUSTOMER SERVICE DEPARTMENT 6000 MIDLANTIC DR., STE 200N MT. LAUREL, NJ 08054		FOR PLAN USE	
		RECEIVED ____ / ____ / ____	PROCESSED BY AND DATE _____
		AFFILIATE # [] [] [] [] [] []	CERTIFICATION NUMBER _____
PROPERTY/CASUALTY INSURANCE PRODUCER LICENSE NUMBER	EXPIRATION DATE	TAX ID # OR SOCIAL SECURITY # (IF INDIVIDUAL)	
LAST NAME/OR AGENCY NAME (AS IT APPEARS ON PRODUCER LICENSE AND WILL APPEAR ON PLAN APPLICATIONS)			FIRST NAME MI
TRADE NAME OF APPLICANT (IF APPLICABLE AND IF IT APPEARS ON ATTACHED LICENSE)			
CURRENT BUSINESS ADDRESS (IF PO BOX, STREET ADDRESS REQUIRED)		CITY	STATE
			ZIP CODE
PRINCIPAL/OWNER HOME ADDRESS (USE SUPPLEMENTAL FORM IF NECESSARY)		CITY	STATE
			ZIP CODE
LICENSE DESIGNATOR (CHECK ONE) <input type="checkbox"/> IP <input type="checkbox"/> OP <input type="checkbox"/> BO		E-MAIL ADDRESS	
BUSINESS TELEPHONE # (INCLUDE AREA CODE)	FAX # (INCLUDE AREA CODE)	PRINCIPAL/OWNER HOME TELEPHONE # (INCLUDE AREA CODE)	
If this application is for an individual, give the names and license numbers of any other producers or agencies of which you are an officer or affiliate*. (If necessary, use attached Supplemental Page.)			
NAME OF ENTITY	LICENSE DESIGNATOR (IP OR OP)	LICENSE #	
NAME OF ENTITY	LICENSE DESIGNATOR (IP OR OP)	LICENSE #	
If this application is for an entity other than individual, give the name, license number and title of any agency Affiliate(s)* of this entity, any principals of this entity who are also individually licensed, and any affiliates of this entity's principals. (If necessary, use attached Supplemental Page.)			
NAME	LICENSE #	TAX ID # OR SOCIAL SECURITY # (IF INDIVIDUAL)	
NAME	LICENSE #	TAX ID # OR SOCIAL SECURITY # (IF INDIVIDUAL)	
Give the license number and tax identification number of all branch offices. (If necessary, use attached Supplemental Page.)			
LICENSE #	DESIGNATOR (BO ONLY)	TAX IDENTIFICATION #	
LICENSE #	DESIGNATOR (BO ONLY)	TAX IDENTIFICATION #	
Give the names and license numbers of all employee producers (producers listed below will be employee producers of your office and cannot be certified as individual producers. (If necessary, use attached Supplemental Page.)			
NAME	LICENSE #		
NAME	LICENSE #		

* An Affiliate is defined as:

- 1) A certified producer who is listed as an officer of another certified producer, as indicated by (New Jersey) Department of Insurance Records. and/or
- 2) A certified producer who directly or indirectly controls, or is controlled by, or under common control with, another certified producer.

**ADDITIONAL QUESTIONS
ALL QUESTIONS MUST BE ANSWERED**

1. Does the applicant hold a valid New Jersey insurance producer license? **YES** **NO** (If yes, attach valid copy of license).
2. Will the applicant abide by the Performance Standards for Producers and the rules and procedures of the New Jersey PAIP, applicable regulations of the New Jersey Department of Banking & Insurance and Insurance laws of the State of New Jersey? **YES** **NO**
3. Does the applicant have any outstanding valid PAIP complaints? **YES** **NO** (If yes, attach a description of such documents).
4. Has the applicant ever been the subject of any administrative action instituted in any other involuntary automobile insurance mechanism in New Jersey or any other state that resulted in the revocation or suspension of the producer's license or certification privileges or similar authority to conduct business in the mechanism? **YES** **NO** (if yes, attach a description of such judgment, conviction, suspension or revocation as described above).
5. Has the applicant ever been the subject within the last five (5) years of any administrative action instituted by the Department of Banking & Insurance of New Jersey, (that is, issuance of an Order to Show Cause, issuance of an Order pursuant to N.J.S.A. 17:22A-20d, etc.) resulting in a fine in excess of \$2,500, including a fine imposed by a Consent Order?
YES **NO** (If yes, attach a description of such action or a copy of such documentation).
6. Has the applicant ever been the subject of any administrative action instituted by any other licensing authority of New Jersey or any other state or federal government that resulted in the revocation or suspension of license privileges of the applicant? **YES** **NO** (If yes, attach a description of such suspension or revocation).
7. Has the applicant ever been the subject of a Plan or Assigned Carrier Complaint to a State Department of Insurance or to a state or federal investigative authority or a named defendant in a civil action brought by the Plan or an Assigned Carrier alleging fraud, misrepresentation or gross negligence with regard to the contents of an application, the necessary information to rate or write a policy, a claim, or any other information material to underwriting a risk?
YES **NO** (If yes, attach a description of such complaint(s)).
8. Does the applicant have any unsatisfied indebtedness to any New Jersey involuntary automobile insurance mechanism, including balances on commission accounts? (Including the AFIUA, MTF, NJCAIP). **YES** **NO** (If yes, attach a description of such indebtedness).
9. Does the applicant have any unsatisfied judgments against him/her that arise out of the production of insurance business, or that otherwise adversely reflect on the producer's ability to meet the fiduciary responsibilities of a Plan certified producer? **YES** **NO** (If yes, attach a description of such judgment, conviction, suspension or revocation as described above).
10. Is the applicant owned, operated, or controlled, either directly or indirectly by any person, partnership, or corporation, who has had an insurance license suspended or revoked by New Jersey or any other state, or who has been convicted of any crime adversely reflecting on his/her ability to meet the fiduciary responsibilities of a Plan certified producer? **YES** **NO**
(If yes, attach a description of such judgment, conviction, suspension or revocation as described above).
11. I understand that the applicant cannot become certified until all principals and employee producers have completed the Producer Procedures Course. Have all Principals and Employee Producers of the applicant completed the required Producer Procedures Course? **YES** **NO** (Include copies of all Certificates of Attendance).

PAIP MANUAL REQUIREMENT

All applicants must subscribe to the NJ PAIP Manual before becoming certified. Please indicate below your method of subscription:

- Check made payable to NJPAIP for \$55.00 plus applicable sales tax (\$58.30 in NJ)
- PAIP order form along with check or credit card number
- Invoice from AIPSO's Mail Order Management (401-942-9799)
- Copy of email verification (obtained by subscribing online at www.aipso.com/nj)
- Other: Explain below

(When subscribing to the manual, make sure to subscribe with the license number of the applicant)

UNDERTAKING

The applicant _____ undertakes that in the event of certification as a producer of Plan business, the applicant will:

1. Read and become thoroughly familiar with the New Jersey Personal Automobile Insurance Plan of Operation, the Manual and any revisions, amendments or notices with reference to same, which are issued hereafter.
2. Comply with and perform all duties in accordance with the aforementioned Plan of Operation, Plan Manual, notifications and amendments and in addition, comply with any directive received from Plan staff or the Governing Committee or the Department of Banking & Insurance with reference thereto or with reference to any applicant for insurance under the Plan, any Plan insured, or any company under the Plan.
3. In the event the Producer violates or fails to perform any of the above undertakings, it is understood and agreed that the Plan and/or Governing Committee and/or their duly constituted representatives or committees may revoke, suspend or condition the Producer's right to do business with the Plan or in connection with any insurance written through the Plan or renewals thereof. During such period of suspension or revocation, the Producer may not be entitled to compensation, which would otherwise become due for insurance effective during said period.
4. The Plan shall have the right at any time to demand and receive the return of any identification cards, applications and Plan forms. Producers agree to promptly comply with any such request. Any notice by the Plan or any of the Plan's staff or the Governing Committee in connection with this subsection may be sent by ordinary mail except that in the event of a revocation or suspension of the certification of a Producer, notice shall be sent by certified mail, return receipt requested.

The undertaking shall apply if the action(s) charged against the applicant are due to acts of any subsidiary or affiliate of the applicant as defined in the Plan of Operation. Certification shall not be construed as constituting the producer as an agent of the New Jersey Personal Automobile Insurance Plan (PAIP) or of any insurer to which an applicant is assigned.

Under the penalty of perjury, I (we) affirm that the statements made in the foregoing application are true and hereby subscribe thereto and that I (we) fully understand the undertaking made in the UNDERTAKING section and I (we) agree thereto and subscribe thereto.

INDIVIDUAL PRODUCERS

PRINT NAME OF INDIVIDUAL APPLICANT	SIGNATURE OF INDIVIDUAL	DATE

In the event that this is an application of an entity other than an individual, all officers of the producer shall individually sign and subscribe to the foregoing application and undertaking with the same force and effect as if each of the following persons was the applicant.

AGENCIES

PRINT PRINCIPAL NAME	SIGNATURE	TITLE	DATE

All licensed employee producers that will transact PAIP business must sign this application. Use space provided below for the names, signatures and titles of all employee producers and additional principals. Use the supplemental page for additional signatures.

PRINT EMPLOYEE PRODUCER NAME	SIGNATURE	TITLE	DATE

SUPPLEMENTAL PAGE

This page may be photocopied if additional space is needed.

<input type="checkbox"/> PRINCIPAL <input type="checkbox"/> EMPLOYEE PROD <input type="checkbox"/> BRANCH OFFICE <input type="checkbox"/> AFFILIATE	LICENSE #	DESIGNATOR	PRINT NAME	TITLE
SOCIAL SECURITY #		SIGNATURE		DATE
<input type="checkbox"/> PRINCIPAL <input type="checkbox"/> EMPLOYEE PROD <input type="checkbox"/> BRANCH OFFICE <input type="checkbox"/> AFFILIATE	LICENSE #	DESIGNATOR	PRINT NAME	TITLE
SOCIAL SECURITY #		SIGNATURE		DATE
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SOCIAL SECURITY #		SIGNATURE		DATE

Certification Application Addendum
Voluntary Market Contracts

Name of Producer/Agency	License Number
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If you have a contract to write voluntary private passenger automobile insurance with a voluntary market insurer that is licensed and actively writing in New Jersey, please provide that information below:

Company Name
Company Name
Company Name
Company Name