

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE )  
FINANCIAL SERVICES ) ORDER  
ADVISORY BOARD )

This matter having been opened by the Commissioner of the Department of Banking and Insurance ("Commissioner") pursuant to the authority of N.J.S.A. 17:1-15i; and

IT APPEARING that the federal Gramm-Leach-Bliley Act, P.L. 106-102, ("the Act") was enacted on November 12, 1999; and

IT FURTHER APPEARING that the Act permits banks, securities firms and insurance companies to affiliate, which affiliations had previously been prohibited by federal law, and

IT FURTHER APPEARING that the Act is resulting in changes to financial services companies and products regulated by the New Jersey Department of Banking and Insurance ("the Department"), including companies and products relating to the businesses of banking, insurance and real estate, and

IT FURTHER APPEARING that changes to financial services companies and products resulting from the Act are presenting both opportunities and challenges for regulators, the marketplace and economic development in general, which opportunities and challenges indicate the need for new or modified practices by state regulatory bodies such as the Department, and

IT FURTHER APPEARING that the Commissioner wishes to continue to evaluate these opportunities and challenges with the advice of outside experts, and to develop recommendations for the sound and efficient regulation of the financial services industry that is evolving as a result of the Act, and

IT FURTHER APPEARING that pursuant to N.J.S.A. 17:1-15i, the Commissioner may appoint an advisory committee to advise and assist her in carrying out the functions and duties of the Department of Banking and Insurance;

THEREFORE, IT IS on this 6<sup>th</sup> day of February, 2003 ORDERED that:

1. The Financial Services Advisory Board (“FINSAB”) is created and will be convened by the Commissioner to assist her in:

- i. Improving communication between the Department and its various licensees in the evolving financial services industry;
- ii. Assessing the condition of and trends in the industry as a result of the Act;
- iii. Identifying ways in which the Department and its organization and procedures might evolve to better address changes in this industry;
- iv. Identifying opportunities and strategies for economic development resulting from these changes.

2. The Commissioner, or his or her designee, shall chair FINSAB and designate the Board’s other members as follows:

- i. Four members from the state-chartered banking community in this State;
- ii. Four members from the insurance community in this State;
- iii. One member from the Real Estate industry in this State;
- iv. The Secretary of the New Jersey Commerce and Economic Growth Commission;
- vi. Two public members to be determined by the Commissioner;
- v. The Director of the Department’s Banking Division, as an ex-officio member; and
- vi. The Director of the Department’s Insurance Division, as an ex-officio member.

3. The Commissioner may replace existing members without need of further formal order.

4. Upon designation of FINSAB’s members, the Commissioner shall establish the date and time of the first meeting, which shall be no longer than 60 days from the date of this Order.

5. FINSAB shall meet as often as may be directed by the Commissioner, but at least four times per year, for a period of no more than two (2) years, unless the Commissioner extends this period.

6. FINSAB shall provide its annual work plan to the Commissioner no later than the last day of February of each year and a progress report on that plan by December 31 of each year.

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