



COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

IN REPLY PLEASE
REFER TO:

Circular Letter No. S-10-852-81

NOV. 17 1981

TO ALL LIFE INSURERS TRANSACTING CREDIT LIFE
INSURANCE IN PUERTO RICO

Re: Statutory maximum rate charged
for credit life insurance

Dear Sirs:

Rule XLI of the Insurance Regulations establishes a rate of \$0.75 per annum per each \$100 of initial indebtedness, as the maximum premium rate to be charged in Puerto Rico for decreasing term credit life insurance.

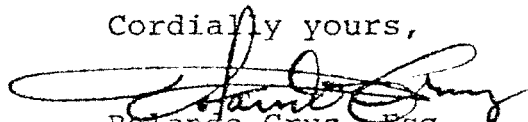
A detailed analysis of the claims and expense experience informed by insurers transacting this type of insurance in Puerto Rico during the last three available years, reveals that the aforesaid maximum rate is excessive. Our analysis concludes that a rate of \$0.55 per annum would be adequate in the light of current reality.

In view of the above, we feel it is necessary to amend Rule XLI so as to reduce the present maximum yearly rate to be charged in Puerto Rico for decreasing term credit life insurance.

Nevertheless, before we proceed formally with the amendment, we would like to hear those insurers wishing to express their objections to the same. For this purpose, your comments regarding this matter, duly justified with Puerto Rico business statistical experience, should be received in this Office within the next 30 days from the date of this letter.

Your cooperation in this matter will be appreciated.

Cordially yours,


Rolando Cruz, Esq.
Commissioner of Insurance



COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

December 2, 1981

TO ALL LIFE INSURERS TRANSACTING CREDIT LIFE
INSURANCE IN PUERTO RICO

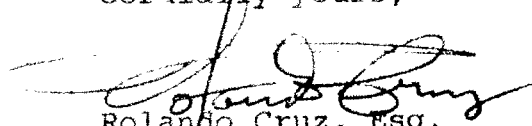
Re: Circular Letter S-10-852-81

Dear Sirs:

Reference is made to the above captioned circular letter mailed on November 17, 1981.

Please be advised that the thirty (30) days period stipulated in said letter expires on December 18, 1981.

Cordially yours,


Rolando Cruz, Esq.
Commissioner of Insurance