



COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

January 23, 1996

Circular Letter No. E-10-1395-95

TO ALL AUTHORIZED FOREIGN INSURERS AND REINSURERS

Non renewal or withdrawal of certificate of authority of insurers or reinsurers authorized to transact insurance business in Puerto Rico

Sirs:

Every insurer or reinsurer authorized to transact insurance business in Puerto Rico, which intends to withdraw from doing business in this jurisdiction must comply with the following:

1. Notify the Commissioner of Insurance of Puerto Rico at least thirty (30) days prior to the date in which it intends to withdraw from doing business or not renew its certificate of authority.
2. State the reasons for such non renewal or withdrawal.
3. Notify in writing all its active policyholders of such non renewal or withdrawal, and the effective date of said action. Copy of the written notification along with a list of said policyholders must be filed in this Office.¹
4. Publish in two newspapers of general circulation in Puerto Rico, one edited in Spanish and the other in English, for two consecutive weeks, a notice indicating the date in which such non renewal or withdrawal will take place. The text of the notice in both languages must be filed in this Office for previous approval, and thereafter submit evidence of its publication.
5. Appoint a service agent in Puerto Rico who will represent such insurer and will take care of all of its affairs in Puerto

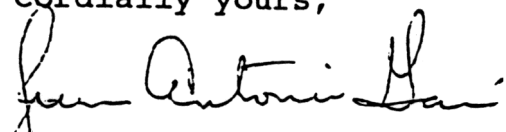
¹This requirement is applicable only to insurers.

Rico until the expiration of all policies or contracts covering objects or subjects of insurance resident, located or to be performed in Puerto Rico.²

6. Submit annually on or before March 30 the annual statement, duly certified and notarized, including the "state page" corresponding to Puerto Rico, until all contracts issued in this jurisdiction expire.²
7. Notify the Commissioner of Insurance of Puerto Rico when all contracts, policies and liabilities in relation to said contracts and policies in Puerto Rico have expired.
8. Submit each semester the Premium Tax Return on premiums and annuity considerations collected by the insurer on insurance contracts remaining in force covering objects or subjects of insurance resident, located or to be performed in Puerto Rico, as well as the corresponding premium tax payment.²

Strict compliance with the aforesaid provisions is hereby required

Cordially yours,



Juan Antonio García
Commissioner of Insurance

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²Applicable only to insurers