

RULE X

GENERAL AGENTS OR MANAGERS OF FOREIGN INSURERS AND ADJUSTERS

ACCOUNTING SYSTEM AND BOOKS

Legal Authority: Sections 2.150, 2.160, 3.300, and 5.080

Section 1.- (a) Every General Agent or Manager who represents in Puerto Rico a foreign insurer, shall keep, in harmony with the system adopted by the insurer and in accordance with generally accepted principles and methods, of accounting records of all the transactions of each represented insurer. The following shall form part of the records required by this Rule:

- (i) Complete information of all policies issued including the data pertinent to cancellations, changes and renewals of said policies.
- (ii) A claims and losses register. In this register shall be recorded all notifications received of the occurrence of any event undertaken in any insurance contract of bond executed by the insurer. The notifications of claims and losses shall be recorded immediately as they are received, whether or not they could result in a loss, be paid, denied, settled or compromised. Shall be recorded all the information necessary for the determination of all and each claim and loss incurred, paid and unpaid. Provided, that where claims are handled by outside office adjusters, the General Agent or Manager shall not be bound to keep said claims register.
- (iii) A copy of each invoice.
- (iv) A copy of each credit note.
- (v) A copy of each policy or its equivalent.

(b) This Rule shall not apply to General Agents or Managers representing foreign insurers transacting exclusively insurance business for the following risks:

- (i) Life
- (ii) Disability
- (iii) Title

Section 2.- Every adjuster shall keep in his principal place of business, record of all transactions of each insurer represented, shall likewise keep the register of claims and losses in the manner prescribed by subsection (ii) of Section (1)(a) of this Rule.