

Commonwealth of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE
P. O. Box 11217 - Fernandez Juncos Sta.
Santurce, Puerto Rico

Circular Letter #A-1-285-61
Date: January 30, 1961

TO ALL COMPANIES LICENSED FOR THE WRITING OF AUTOMOBILE
LIABILITY INSURANCE IN THE COMMONWEALTH OF PUERTO
RICO AND THEIR GENERAL AGENTS

Re: Reinstatement of Cancelled
Policies Endorsement

Gentlemen:

It has come to the attention of this office an endorsement which has the effect of reinstating to full force and effect a cancelled policy and extending the policy beyond its original expiration date. An investigation carried out by this office disclosed that the use of such endorsement was instituted long time ago in order to comply with an old ruling of this office concerning the refund of tax paid on premiums of policies cancelled within forty-five days from and after the date of issuance of the policy.

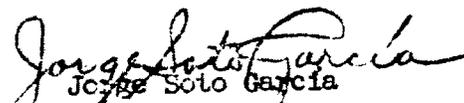
The use of such endorsement was thoroughly discussed with some local representatives of insurance companies and with officials of the National Bureau of Casualty Underwriters and an agreement was reached in order not to upset this practice of long standing in Puerto Rico. The use of such an endorsement is hereby authorized provided:

- 1) The endorsement eliminates coverage between the effective date of cancellation and the date of reinstatement and
- 2) The endorsement is used to reinstate policies within the period of 15 days from the effective date of cancellation, but not thereafter.

Full compliance with the above conditions is requested so that the basic concept of the manual rule of the Automobile Casualty Manual governing this situation is not violated.

You are hereby reminded that in accordance with the provisions of Section 11.110(1) of our Insurance Code no such endorsement shall be used in Puerto Rico unless it has first been filed with and approved by this office.

Cordially yours,


Jorge Soto Garcia
Acting Commissioner