

OFFICE OF THE COMMISSIONER OF INSURANCE
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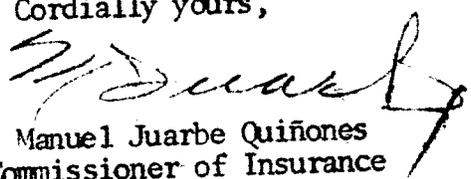
Circular Letter No. AV-I-7-651-75
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TO ALL INSURANCE COMPANIES TRANSACTING CREDIT LIFE
AND ACCIDENT INSURANCE IN PUERTO RICO

It has come to our attention the fact that when group credit life and accident insurance contracts in force covering debtors and showing the financing institution as the policyholder and beneficiary are sold or transferred to another financing institution which does not carry insurance on the lives of their debtors is against the public interest, since coverage will automatically cease as of the date of the transaction, except for conversion privileges which involve insurance at older ages and thus, higher premiums. Since we feel that continuation of coverage should be afforded in these cases, we would like to receive from you suggestions that will help in this respect.

We will appreciate your cooperation with this petition at the earliest possible moment.

Cordially yours,


Manuel Juarbe Quiñones
Commissioner of Insurance