

Commonwealth of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE
P. O. Box 3508 - Old San Juan Station
San Juan, Puerto Rico 00904

Circular Letter No. AM-III-5-702-77
June 16, 1977

TO ALL INSURERS AND MANAGERS OF FOREIGN INSURERS
AND GENERAL AGENTS AUTHORIZED TO TRANSACT AUTOMOBILE
INSURANCE IN PUERTO RICO

Subject: Complaints from Applicants of the Puerto
Rico Automobile Assigned Risk Plan with
respect to delay in issuing policies

Dear Sirs:

This Office has been informed by the Puerto Rico Automobile Assigned Risk Plan that frequently said Plan receives complaints from applicants because the policies are not processed promptly by the corresponding insurers and/or their representatives thus depriving them from the use of their vehicles as a means of making a living.

Please be informed that Section 13 of the Plan establishes, among other things, the following:

"Sec. 13. Carrier's Notice to Applicant

A. Original Policy - Upon receipt of the notice of designation and the premium or deposit from the Manager, the designated carrier shall, within two working days

(1) issue a policy or a binder if all information necessary for the carrier to fix the proper rate is contained in the application form, such policy or binder to become effective 12:01 A.M. on the day following the second working day, or

(2) bind the risk if all information necessary for the carrier to fix the proper rate is not contained in the application form, such binder to become effective 12:01 A.M. on the day following the second working day, or

- (3) in the event such carrier does not have on file rates applicable to the risks assigned to it, make the necessary filing and immediately upon its becoming effective issue a policy or binder, such policy or binder to become effective 12:01 A.M. on the day following the second working day following the effective date of the filing.

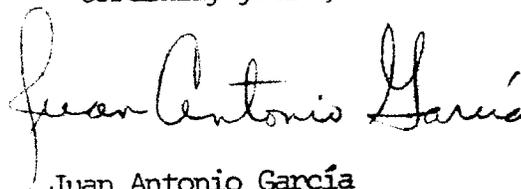
No Saturday, Sunday, or legal holiday in the place of receipt, shall be deemed a working day.

The producer of record shall be notified as to the disposition of the assignment in accordance with the foregoing Paragraph (1)-(3).

If the Manager finds that any carrier without good cause is not complying with the provisions of this Section, he shall notify the Commissioner of Insurance". (emphasis supplied)

Strict compliance with the above Section of the Plan is hereby requested.

Cordially yours,



Juan Antonio García
Chief Deputy Commissioner
of Insurance