

AM-I-II-942-83 retirada ver  
AM-III-2-986-85

OF INSURANCE

November 25, 1983

Circular Letter No. AM-I-11-942-83

TO ALL INSURERS AUTHORIZED TO TRANSACT PROPERTY AND  
CASUALTY INSURANCE BUSINESS IN PUERTO RICO.

Subject: Rule Deviations

Dear Sirs:

Act No. 89 approved on June 4, 1983, which is effective as of the date of its approval, amended Section 12.140 of the Insurance Code of Puerto Rico to delete the provision pertaining to deviations as to property insurance regarding class rates, schedules, rating plans or rules.

Section 12.140 referred to above, as amended, permits only deviation filings of a uniform percentage to be applied to the premiums produced by the rating system filed by a rating organization for a kind of insurance or for a class of insurance or for a subdivision thereof comprised of a group of manual classifications which is treated as a separate unit for rate making purposes or for which separate expense provisions are included in the filings of the rating organizations. In other words, rate deviations are permitted, however rules and rating plans deviations are no longer permitted.

Notwithstanding, we have approved after June 4, 1983, the effective date of the act, rules and rating plans deviations, which had been previously approved to some insurers in order to maintain a fair competition between all insurers. Said deviations shall continue to be considered for approval by this Office until December 31, 1983.

Insurers are hereby advised that beginning on January 1, 1984, rate deviations shall be the only deviations that will be considered for approval by this Office.

Your attention to this important matter is hereby required.

Cordially yours,

*Juan Antonio García*  
Juan Antonio García  
Commissioner of Insurance

OFICINA DEL COMISIONADO DE SEGUROS  
ESTADO LIBRE ASOCIADO DE PUERTO RICO  
APARTADO 3508 ESTACION VIEJO SAN JUAN  
SAN JUAN, P. R. 00904

*Circular #*  
*AM-I-11-942-83*