COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

February 25, 1985

Circular Letter No. AE-2-1004-85

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

Subject: Annual Statement and Related Items

Dear Sirs:

Section 3.310(1) and (2) of the Insurance Code of Puerto Rico, 26 LPRA sec. 331(1) and (2), stipulates the following:

> "(1) Each authorized insurer shall annually, before the thirty-first day of March, file with the Commissioner a true statement of its financial condition, transactions, and affairs as of the December 31st preceding. The statement shall be on forms as prescribed by the Commissioner, shall contain information as required by this code and by the Commissioner, and shall be verified by the oath of at least two of the insurer's principal officers. The annual statement of a reciprocal or Lloyd's insurer shall be verified by his attorney-in-fact.
>
> (2) The annual statement of a foreign insurer not formed in the United States but authorized to transact insurance in a state of the United States, may relate only to its assets, transactions, and affairs in the United States and Puerto Rico (and including, at the insurer's option, the Virgin Islands and the Canal Zone) unless the Commissioner requires otherwise. The statement may be verified by the insurer's United States manager or by its officers duly authorized." (emphasis supplied)

Pursuant to the aforesaid section, the annual statement for calendar year ending December 31, 1984 shall be filed in this Office before March 31, 1985, along with the $50 filing fee

P.O. Box 8330 — Fernández Juncos Station — Santurce, Puerto Rico 00910 - 8330

prescribed by Section 7.010(18) of the Insurance Code of Puerto Rico, 26 LPRA sec. 701(18). The $50 fee must be sent in check or money order payable to the Secretary of the Treasury and the annual statement shall be filed in duplicate in the official form approved by the National Association of Insurance Commissioners.

In accordance with the provisions of Section 3.310(2), cited above, foreign insurers not organized in the United States, which elect to file an annual statement related to their United States business, must include also the information pertaining to their Puerto Rico affairs and transactions.

All insurers must also include with the regular annual statement the information required on page 14 of said statement with respect to Puerto Rico business only and the information pertaining to the transactions and holding of investments in Puerto Rico securities as of December 31, 1984, in the manner prescribed therein.

A copy of page 14, must also be sent by all insurers to the Association of Warranty of All Kinds of Insurance, Except Life, Disability and Health, to the following address:

Association of Warranty of All Kinds of
Insurance, Except Life, Disability and Health
P.O. Box 4967
San Juan, Puerto Rico 00936

In addition, enclosed please find blank forms of the Statement of Reconciliation of Premiums Written corresponding to your 1984 Puerto Rico Business. This statement must be completed in its entirety and filed in this Office together with the regular annual statement before March 31, 1985. The same must be sent to the following address:

Office of the Commissioner of Insurance
P.O. Box 8330
Fernández Juncos Station
Santurce, Puerto Rico 00910

The filing of the Insurance Expense Exhibit is due on or before May 1, 1984. This Office does not supply the forms for the filing of the Insurance Expense Exhibit.

Domestic insurers shall also file, before March 31, 1985, along with the regular annual statement, a list, duly sworn, showing the name of each and every stockholder, the number of shares each one holds and the percentage such number represents from the total number of shares, pursuant to circular letter No. E-9-783-79 of September 19, 1979.

The regular annual statement, the Statement of Reconciliation of Premiums Written and the Insurance Expense Exhibit must be submitted to this Office in duplicate. Please be advised that no additional time will be granted for the submission of these reports.

Strict compliance with the aforesaid provisions is hereby required.

Cordially yours,

Juan Antonio García
Commissioner of Insurance

Enclosure

COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

STATEMENT OF RECONCILIATION OF PREMIUMS WRITTEN

CALENDAR YEAR _____

Name of Insurer: _____

1. Direct writings - Schedule T - Column 1 $ _____

2. Deduct:

   2.1 Business transacted by agents in previous year but accounted for by company in current year $_____

   2.2 Other deductions (explain below) _____

   2.3 Total deductions (line 2.1 plus 2.2) $ _____

3. Sub-total $ _____

4. Add:

   4.1 Business transacted by agents in current year but accounted for by company in folowing year $ _____

   4.2 Other additions (explain below) _____

   4.3 Total additions (line 4.1 plus 4.2) $ _____

5. Total $ _____

6. Business transacted by agent as resported by them in semiannual statement filed. $ _____

Explanations _____

_____

_____

_____

_____

I hereby certify that the information indicated in this statement is true and accurate to the best of my knowledge.

_____ Date

_____ Signature

_____ Name of Authorized Officer

_____ Title

Note: This form must be filed together with the Annual Statement for the same calendar year.