



COMMONWEALTH OF PUERTO RICO

## OFFICE OF THE COMMISSIONER OF INSURANCE

Circular Letter No. AM-III-2-986-85

April 1, 1985

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, amended Section 12.140 of the Insurance Code of Puerto Rico so as to delete the provision pertaining to deviations as to property insurance regarding class rates, rules, and schedule rating plans.

As a result of, and pursuant to said act, this Office issued Circular Letter No. AM-I-11-942-83 of November 25, 1983, which informed the insurance industry that rules and rating plans deviations had been approved by this Office after June 4, 1983, the effective date of the act, that such deviations would continue to be approved until December 31, 1983, and that beginning on January 1, 1984, rate deviations were the only deviations to be considered for approval by this Office. Instead, the circular letter should have read that beginning on January 1, 1984, premium deviations were the only deviations that were going to be considered for approval by this Office.

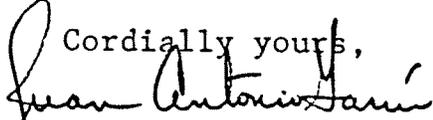
Upon reevaluation of the results of the application of the aforementioned amendment, we have deemed necessary to withdraw said circular letter and establish new guidelines for the application of the amendments of Act 89, supra, in order to avoid unfair competition between insurers.

To this effect, this Office will consider for approval only those petitions for property insurance rules and rating plans deviations, which are identical to rules and rating plans deviations approved before the effective date of Act 89, supra.

Except for the deviations mentioned in the preceding paragraph, Act 89 of June 4, 1983, shall apply in full force and effect to all kinds of insurance or classes of risks within a kind of insurance or combinations thereof, and thus only premium deviations will be the only deviations which will be considered for approval by this Office.

Circular Letter No. AM-I-11-942-83 of November 25, 1983, is hereby withdrawn.

The provisions of this circular letter shall become effective as of the date of its issuance.

Cordially yours,  
  
Juan Antonio García  
Commissioner of Insurance