

COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

Circular Letter No. C-1-1073-87

January 14, 1987

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

Re: Statutory Meeting of the
Insurers Syndicate for the
joint underwriting of
Medical-Hospital Professional
Liability Insurance

Gentlemen:

Section 41.040 of the Insurance Code of Puerto Rico, as amended by Act No. 4, approved on December 30, 1986, created the Insurers Syndicate for the joint underwriting of Medical-Hospital Professional Liability Insurance and to provide said insurance to qualified applicants. The Syndicate shall be composed of all insurers authorized in Puerto Rico to contract insurance of the kinds defined in sections 4.040 (property), 4.050 (marine and transportation), 4.060 (agricultural), 4.070 (vehicle), 4.080 (casualty) and 4.090 (surety) of the Insurance Code of Puerto Rico. Said insurers shall be members of the Syndicate and their participation in the same shall be an indispensable condition to continue writing insurance in the Commonwealth of Puerto Rico.

The Syndicate shall operate under the supervision and direction of a Board of Directors which shall consist of seven insurers elected by its members, and by two private citizens, representing the public interest, appointed by the Governor of Puerto Rico. The new members of said board shall be elected annually in a meeting of the members, or their authorized representatives, on the date and place designated by the Commissioner of Insurance. The votes of the members in said election shall have weight in the proportion that the net direct premiums written by each member during the preceding calendar year for the aforesaid kinds of insurance bear to the total net direct premiums written in Puerto Rico by all the members of the Syndicate in said year.

Pursuant to said provision, a meeting is hereby called to take place on January 28, 1987 at 9:00 a.m. at the Office of the Commissioner of Insurance, Cobián's Plaza Building, Ponce de León Avenue 1607, Stop 23, Santurce, Puerto Rico.

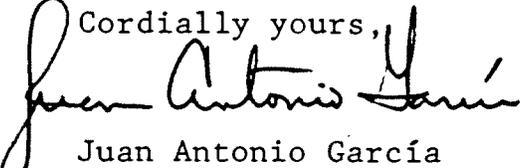
A Designation of Authorized Representative form is enclosed to be completed by your President or Secretary, or any other authorized representative, and returned to us in time for the meeting. In said designation form you may appoint any representative of your own. If you do not wish to designate a representative of your own, the selection of a representative may be made from one of the following persons, in which case the designation form must be executed and returned to us before the meeting:

Mr. Rafael Roca, President
Puerto Rican American Insurance Co.

Mr. Ernesto del Rosario
Executive Director
Puerto Rico Insurance Guaranty
Association

Mr. Edwin Quiñones, President
Cooperativa de Seguros Múltiples
de Puerto Rico

Due to the great importance of this matter, we strongly urge you to designate an authorized representative who shall vote on your behalf in said meeting.

Cordially yours,

Juan Antonio García
Commissioner of Insurance

Enclosure

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DESIGNATION OF AUTHORIZED REPRESENTATIVE

WHEREAS, _____ is an
(Insurer's Name)
insurer duly authorized to write property, marine and transportation, agricultural, vehicle, casualty and surety in the Commonwealth of Puerto Rico and thus is a member of the Insurers Syndicate for the joint underwriting of Medical-Hospital Professional Liability Insurance.

WHEREAS, a meeting shall be held on January 28, 1986 to elect the Board of Directors of said Syndicate pursuant to Section 41.040 of the Insurance Code of Puerto Rico.

THEREFORE, _____ hereby
(Insurer's Name)
appoints and names Mr. _____ to be its representative and to vote on its behalf at said meeting and upon any question or questions which may come before such meeting.

This _____ day of _____ 1985.

President or Vice President

Secretary or Subsecretary

Corporate Seal