



COMMONWEALTH OF PUERTO RICO

## OFFICE OF THE COMMISSIONER OF INSURANCE

August 2, 1989

Circular Letter No. AM-I-3-1155-89

TO ALL RATING ORGANIZATIONS, INSURERS AND GENERAL AGENTS  
AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN PUERTO RICO

Subject: Approval of amendments  
to Rule LIV and to Rule LV of the  
Regulations of the Insurance Code  
of Puerto Rico

Dear Sirs:

On February 7, 1989, we filed with the Department of State of the Commonwealth of Puerto Rico some amendments to Rules LIV and LV of the Regulations of the Insurance Code of Puerto Rico to become effective thirty days after said filing date.

The referred amendments became effective on March 9, 1989, after which date every person affected by the rules must comply with said amendments.

The most noted amendments to Rule LIV, were the following:

1. A definition for the terms, "rating plan", "property and/or casualty policy forms", "rating plans" and "revision or modification of a filing", was added to the Rule.
2. The fees charged to some items were modified.
3. Section 4. Failure to pay fees, was modified to require the payment of the unpaid portion of the applicable total fee within thirty (30) days after the date of the first letter of notification. Otherwise, the filing will be disapproved on the grounds of non payment of fees.

The most noted amendments to Rule LV, were the following:

1. Double interest automobile insurance policies or certificates issued under master policies as well as single interest automobile insurance policies were added as insurance policies whose cancellation after sixty (60) or more days is limited by the Rule.

2. Mass cancellations of single interest automobile insurance certificates are prohibited except for the reasons contained in the Rule.

3. Section 4 was amended to correct a printing error, since policies in force for sixty (60) days are subject to limitation of cancellations as provided by Section 11.270 of the Insurance Code of Puerto Rico, 26 LPRA sec. 1127.

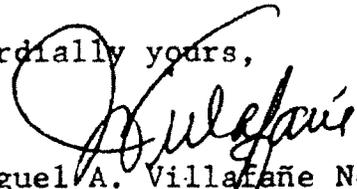
The Spanish and the English versions of said rules are available through this Office for the price of \$2.00 per rule, payable to the Secretary of the Treasury of Puerto Rico. Any person interested in obtaining copies of the rules may contact this Office during working hours, from 8:00am to 12:00 noon and from 1:00pm to 4:30pm, or write to the following address including the required fee of \$2.00 in money order or certified check payable to the Secretary of the Treasury:

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

Rating organizations and insurers shall take the necessary steps to implement within the insurance contract by means of endorsements or otherwise, when needed, the applicable provisions of these rules. Such endorsements or other means are subject to the prior approval of the Commissioner of Insurance.

Strict compliance with the provisions of this circular letter is hereby required.

Cordially yours,

  
Miguel A. Villafañe Neriz  
Commissioner of Insurance