OFFICE OF THE COMMISSIONER OF INSURANCE

Circular Letter No. AC-IV-7-1425-96
July 17, 1996

TO ALL NON-RESIDENT AGENTS

Subject: Renewal of licenses for fiscal year 1996-97

Sirs:

Act No. 62 of June 29, 1996, amends the Insurance Code of Puerto Rico with the primary purpose of establishing a single annual contribution which shall be paid by all persons and entities subject to the supervision of the Commissioner of Insurance. This single annual contribution rests upon the policy of attaining fiscal self-sufficiency for the Office of the Commissioner of Insurance, in order that it may secure the necessary funds so as to maintain itself, as to human and technical resources, on an equal footing with the insurance industry in Puerto Rico.

The annual contribution seeks the following objectives: fairness and equity in the contributions made by each licensee, stability and recurrence in the collection of funds, and simplicity in the administration of the collection process.

The payment of this annual contribution, which shall be made exclusively at the moment that the corresponding certificate of authority, license or permit is issued or renewed, shall cover practically all the fees which previously had to be paid to the Office of the Commissioner of Insurance on a piecemeal basis, as well as the expenses incurred by the Commissioner of Insurance in the auditing and examination of insurers and insurance intermediaries. Nevertheless, the single annual contribution shall not cover fines or penalties which the Commissioner may impose and the cost of the publications which the Commissioner may sell.

In order to effectively implement the provisions of the aforementioned Act No. 62, the same granted the Commissioner of Insurance authority to extend, for a period not exceeding sixty (60) days, the duration of the certificates of authority, licenses and permits which would normally have expired on June 30, 1996. Pursuant to this authority, we extended the expiration date of the licenses of the non-resident agents until August 29, 1996, so that the corresponding renewal process is completed in an orderly manner.

Considering the above, and in accordance with Section 7.010(1)(q) of the aforesaid Code, the annual contribution to be paid by each non-resident agent shall be $800.00. To this effect, and in order that said license be renewed as of August 30, 1996, it is necessary

P.O. Box 8330, Santurce, Puerto Rico 00910-8330
Tel. (809) 721-5848, Fax (809) 722-0005

that the enclosed form be completed and sent to our Office **before August 15, 1996,** with a certified check or money order for the aforementioned amount, payable to the Secretary of Treasury, enclosing a pre-stamped and pre-addressed small (12" x 9") manila paper envelope.

Please be advised that all requests received after August 29, 1996, will not be considered for renewal by this Office. In said case, the applicant will be subject to all the formalities of the application process for a new license pursuant to the Insurance Code of Puerto Rico.

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

Cordially yours,

Juan Antonio García
Commissioner of Insurance

Enclosure

COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

APPLICATION FOR RENEWAL OF NONRESIDENT AGENT'S OR BROKER'S LICENSE FOR 1996-97

Date _____

We present the following information in order to obtain the renewal of our nonresident agent's or broker's license for 1996-97:

Name of corporation
or partnership _____

Agent( ) Broker( )

Postal address _____

_____

Address of its place of business _____

_____

Phone number _____

Corporate social security no. _____

Name and social security number of the persons acting on behalf of the corporation or partnership:

_____

_____

_____

For nonresident brokers only:

(a) Premium volume transacted during 1995

(b) Amount of guarantee bond included _____

_____
(Signature of President or Vice President)

_____
(Name)

_____
(Title)

NOTE: Send this form in duplicate, including a certified check or money order for the corresponding amount, payable to the Secretary of the Treasury.

Please do not write below this line

OCS-RL-7-NR