



Government of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE

CIRCULAR LETTER NO. C-4-1572-2000
May 3, 2000

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**

Ladies and Gentlemen:

Section 41.040 of the Insurance Code of Puerto Rico created the Insurers Syndicate for the Joint Underwriting of Medical-Hospital Professional Liability Insurance (the Syndicate) 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.

Section 41.040(3) and (4) of the Insurance Code of Puerto Rico stipulates that the Syndicate shall operate under the supervision and direction of a Board of Directors which shall consist of four insurers elected by its members, the officer in charge of the operations of the Syndicate, and by two private citizens, representing the public interest, appointed by the Governor of Puerto Rico. The four insurers members of said board shall be elected for a term of three years in a meeting of the members, or their authorized representatives, on the date and place designated by the Commissioner of Insurance.

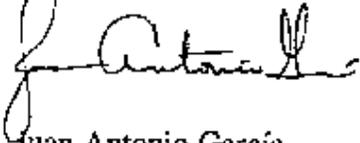
Pursuant to section 41.040 (4), *supra*, a meeting of the members of the Syndicate is hereby called to take place on **May 18, 2000, at 11:30 a.m.** at the Office of the Commissioner of Insurance, Cobian's Plaza Building, 1607 Ponce de León Ave., Stop 23, Santurce P.R., for the purpose of electing two directors to replace those whose term will expire on the aforementioned date.

Each company present will have the right to vote for the election of said directors, which votes 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 for such kinds of insurance. For this purpose, a distribution of the premiums written by all members of the Syndicate for the aforementioned kinds of insurance, as well as of the premiums written for Medical-Hospital Professional Liability Insurance during 1999 will be distributed at the meeting.

A Designation of Authorized Representative form is enclosed. The same should 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, you may appoint Mr. Antonio Blanes, President of United Surety and Indemnity Company, as your representative, in which case the designation form must be executed and returned to us before the meeting.

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.

Sincerely,



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 insurance 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 May 18, 2000 to elect the two directors of
said Syndicate pursuant to Section 41.040 of the Insurance Code of Puerto Rico and to
discuss several matters regarding the preceding year of operation of the Syndicate.

THEREFORE, _____ hereby
(Insurer's Name)
appoints and names Mr. (Mrs.) _____ to be its
representative and to vote on its behalf at said meeting for the election of said directors,
and upon any other matter which may come before the meeting.

This _____ day of _____ 2000.

(President or Vice President)

CORPORATE SEAL

(Secretary)