ESTADO LIBRE ASOCIADO DE PUERTO RICO
OFICINA DEL COMISIONADO DE SEGUROS

April 28, 2004

CIRCULAR LETTER NO.: C-LE-4-1715-2004

TO ALL NON-RESIDENT BROKERS

RE: RENEWAL OF LICENSE FOR FISCAL YEAR 2004-2005

Dear ladies and gentlemen:

Section 7.010 of the Insurance Code of Puerto Rico establishes, as a condition to continue to be authorized to solicit or transact any kind of insurance in Puerto Rico that the persons or entities so authorized shall pay, not later than June 30th of each year, a single annual contribution.

In light of the above, and in accordance with Article III (r) of the Regulations of the Insurance Code of Puerto Rico, the annual contribution to be paid by each non-resident broker shall be $841.00. To that effect, and in order to renew your license effective as of July 1, 2004, we require that you complete and remit the enclosed form to this Office **before May 21, 2004,** together with a check or money order for said amount, payable to the Secretary of Treasury, and a pre-addressed letter size manila envelope.

Nonresident brokers must also submit proof that the corresponding guarantee bond has been renewed. A certificate of extension of the existing bond will be sufficient.

The amount of the guarantee bond shall be determined according to the following scale, on the basis of the volume of business transacted by the non-resident broker for calendar year 2003, as per the Business Report filed with this Office for that year:

PREMIUM VOLUME		GUARANTEE BOND
From	**To**	
$----0----	$99,999.99	$ 10,000.00
100,000.00	249,999.99	12,500.00

Apartado 8330 • San Juan, Puerto Rico 00910-8330
Tel. (787) 722-8686 • Fax (787) 722-4400
www.ocs.gobierno.pr

250,000.00	499,999.99	15,000.00
500,000.00	999,999.99	17,500.00
1,000,000.00	or more	20,000.00

The amount of the bond corresponding to the above scale shall be multiplied by the number of persons named in the license of the corporation or partnership, as provided in Section 9.200 of the Insurance Code of Puerto Rico.

Please note that Section 9.160(1) of the Insurance Code of Puerto Rico, 26 L.P.R.A., sec. 916(1) stipulates, among other things, the following:

> "(1) A partnership or corporation shall be licensed only as agent, general agent, broker, or adjuster. In the case of a partnership, each partner or member, and in the case of a corporation, at least two of the directors and each person acting on behalf of the corporation under the license, shall be named in the license and shall qualify for it as if they were individual licensees. Provided, that as to the other directors and as to the officers and those stockholders who hold, directly or indirectly, substantial economic interest in the corporation, they shall have to meet the requirements listed in section 9.070."

Finally, complying with Section 6 of the Rule LII from the Rules and Regulations of the Insurance Code of Puerto Rico, you must include a certification, issued by the insurance regulator or the responsible entity in your domicile state, stating that you comply with the corresponding requirements regarding the Continuing Education. If your domicile state does not have requirements for Continuing Education, you must contact this Office in order to received instructions regarding the compliance with said regulation.

Please be advised that all requests received after June 30, 2004, will not be considered for renewal by this Office. In such 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 above stated requirements is essential for the timely renewal of your license.

Sincerely,

Dorelisse Juarbe Jiménez
Commissioner of Insurance

Enclosure

APPLICATION FOR RENEWAL OF NONRESIDENT AGENT'S OR BROKER'S LICENSE FOR 2004-2005

Date _____

We present the following information in order to obtain the renewal of our nonresident agent's or broker's license for 2004-2005:

Name of corporation
or partnership _____

Agent( ) Broker( )

Postal address _____

_____

Business Address _____

_____

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 2003 _____

(b) Amount of guarantee bond included _____

_____
(Signature of President or Vice President)

_____
(Name)

_____
(Title)

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