COMMONWEALTH OF PUERTO RICO

OFFICE OF THE COMMISSIONER OF INSURANCE

July 9, 1987

Ruling No. N-AM-I-7-01-87

TO ALL DOMESTIC INSURERS AND GENERAL AGENTS A MANAGERS
OF FOREIGN INSURERS AUTHORIZED TO TRANSACT
COMMERCIAL AUTOMOBILE INSURANCE BUSINESS
IN PUERTO RICO

Subject: Filing CA85-ORVI-
Introduction of the
Puerto Rico Commercial
Automobile Manual

Dear Sirs:

This Office has temporarily withdrawn its approval to the rate structure of the new Business Auto Policy Program, such withdrawal to take effect on July 3, 1987, until such time as the Insurance Services Office, Inc., corrects some defects in the published base premiums.

We have taken such a drastic measure due to the fact that the published base premiums are not the premiums approved by this Office.

In the meantime, insurers shall use, to the extent possible, the rate structure in force prior to May 1, 1987. This shall be interpreted as requiring insurers to use the rules, rates and rating plans of the old commercial automobile program (Including the 50% rate increase approved in Filing CA85-BRLAI, effective February 1, 1986).

Insurers may also continue using the new Business Auto Policy Program, provided that the premium developed using such program does not exceed the premium that would apply if the risk were rated using the rate level in force prior to May 1, 1987.

As soon as the matter regarding the base premiums has been settled, we will again issue pertinent instructions to the insurance industry.

P.O. Box 8330 — Fernández Juncos Station — Santurce, Puerto Rico 00910 - 8330

Strict compliance with the provisions of this ruling is hereby required.

Cordially yours,

Juan Antonio García
Commissioner of Insurance