



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

February 18, 2004

RULING NO: N-ES-2-47-2004

**TO ALL REINSURERS AUTHORIZED TO TRANSACT BUSINESS IN
PUERTO RICO**

Re: 2003 ANNUAL STATEMENT

Dear Ladies and Gentlemen:

Sections 1.020 and 1.050(4) of the Insurance Code of Puerto Rico, 26 LPRA sections 102 and 105(4), subject reinsurers to the same requirements imposed on insurers, except for sections where reinsurers are expressly excluded, or any of those where it is clear that its content is not applicable.

One of those requirements is the one stipulated in section 3.310(1) and (2) of the Insurance Code of Puerto Rico, 26 LPRA sections 331 (1) and (2), which provides the following:

"(1) Each authorized insurer shall annually, **before the thirty-first day of March**, file with the Commissioner a true statement of its financial condition, transactions, and affairs as of the December 31st preceding. The statement shall be on forms as prescribed by the Commissioner, shall contain information as required by this Code and by the Commissioner, and shall be verified by the oath of at least two of the insurer's principal officers. The annual statement of a reciprocal or Lloyd's insurer shall be verified by his attorney-in-fact. (Emphasis supplied).

(2) The annual statement of a foreign insurer not formed in the United States but authorized to transact insurance in a state of the United States, may relate only to its assets, transactions, and affairs in the United States and Puerto Rico (and including, at the insurer's option, the Virgin Islands and the Canal Zone) unless the Commissioner requires otherwise. The statement may be verified by the insurer's United States manager or by its officers duly authorized."

Pursuant to the aforesaid sections, the annual statement for calendar year ending December 31, 2003, must be filed in this Office **on or before March 30, 2004**.

Foreign reinsurers organized in the United States, or with port of entry in one of a state of the United States, do not have to submit to this Office the hard copy and electronic filing of the annual statement. Instead of said filing, to comply with the aforementioned provisions, the foreign reinsurer shall submit to this Office an Affidavit of Filing and Financial Statement Attestation in the form enclosed, evidencing the filing with the NAIC.

Foreign reinsurers not organized in the United States that do not file electronically in the NAIC, must submit a hardcopy of their annual statements. In accordance with the provisions of Section 3.310(2), cited above, such foreign reinsurers, which elect to file an annual statement pertaining only to their United States business, must include also the information regarding their Puerto Rico affairs and transactions.

Foreign reinsurers are also required to submit a hard copy and diskette filing of the **Certification of the Investment in Puerto Rico Securities**, which is available in our web site at http://www.ocs.gobierno.pr/downloads/cert_inv.doc (in MS Word format). We are also enclosing a hardcopy of the Certification form for the convenience of those reinsurers, who cannot access it in our web site.

Notwithstanding the above, foreign reinsurers not organized in the United States, but authorized to transact insurance business in Puerto Rico, which close their books on a date other than December 31 of each year, must submit, **on or before March 30, 2004**, in lieu of the aforesaid annual statement, a transmittal letter with the following information:

1. Contact person and mailing address.
2. Date on which the reinsurer closes its books of account.
3. Summary of insurance business transacted in Puerto Rico during calendar year 2003.
4. Summary of investments in Puerto Rico for that calendar year.
5. Balance Sheet for the preceding calendar or fiscal year.
6. Date on which it is estimated the reinsurer can submit its annual statement to this Office.

Every reinsurer that does not maintain with the Secretary of the Treasury of Puerto Rico through this Office, the deposit requested in Section 3.130 of the Insurance Code of Puerto Rico, for the protection of all its policyholders and creditors in Puerto Rico, and whose state of domicile is a reciprocal state concerning such deposit, shall submit a the certificate from the public official invested with the authority to supervise de business of insurance in the state, showing that a deposit by such reinsurer is being held in trust in such state and maintained for said purposes.

Annual filings of reinsurers organized in the United States, must follow all established instructions as specified in the *NAIC Annual Statement Instructions*. For more information regarding Annual filings, please log on to the NAIC web site at www.naic.org and select Filing Instructions.

Strict compliance with the aforesaid provisions is hereby required.

Cordially,


Dorelisse Juarbe Jiménez
Commissioner of Insurance

Enclosure

NAIC Company Code _____

NAIC Group Code _____

Reporting Entity Name _____

Domiciled in _____ (State)

Mailing Address: _____

Annual Statement Contact: _____
(Name) Telephone No. E-mail Address

In the Matter of the _____ Statement)
(Annual/Quarterly)

) **AFFIDAVIT OF FILING**
) **AND FINANCIAL**
) **STATEMENT ATTESTATION**

Filing Required for the Period Ending on the
_____ day of _____, 2_____

Mailing Date: _____

The officers of the above identified reporting entity, being duly sworn, each depose and say that on the mailing date above, a true and correct statement for the reporting period stated above and that the corresponding true and correct electronic file reflecting the statement for the above named reporting entity, has been sent to the National Association of Insurance Commissioners, according to their instructions. The statement and the corresponding electronic file are an exact and complete duplicate of the statement filed with the reporting entity's domestic state, except as to schedules, exhibits and information required to be submitted only to the reporting entity's domestic state.

Additionally, the officers of the above identified reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that for the reporting period stated above, all of the described assets in the above referenced statement were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as therein stated, and that the statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended on that date, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual, except to the extent that (1) state law may differ; or (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

----- Signature	<input type="checkbox"/>	----- Signature	<input type="checkbox"/>	----- Signature	<input type="checkbox"/>
----- (Print Name) President		----- (Print Name) Secretary		----- (Print Name) Treasurer	

Subscribed and sworn to before me this
_____ day of _____, 2_____

Signature

(Print Name)
Witness

Notary Public
My Commission Expires:



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

CERTIFICATE OF INVESTMENT IN
PUERTO RICO SECURITIES

_____ and _____
(President) (Treasurer)

of _____, an insurer organized
(Name of the Insurer)

and existing under and by virtue of the laws of _____, do hereby
(State or Country)

certify that said insurer has and maintains and investment in securities of the class specified in Section 3.160 of the Insurance Code of Puerto Rico. The aforesaid securities are described on the reverse side of this certificate and have a total par value of \$ _____ and, as of the date of this document, have an amortized value (Book/ Adjusted Carrying Value) of \$ _____.

We further certify that the above mentioned insurer will maintain at all times the amount required by the above mentioned section to remains authorized in Puerto Rico and until all of its obligations and liabilities in the Commonwealth of Puerto Rico have been discharge. The sale or exchange of the described securities will only be authorized upon substitution thereof, provided that this certificate be up dated whenever a change occurs.

IN WITNESS WHEREOF, we hereunto subscribe our names and cause to be affixed the Official Seal of _____

(Name of the Insurer)

at the City of _____, this _____ day of _____, 20_____.

ATTESTED:

President

Secretary

Treasurer

(SEAL)

