

Number 4933-A  
Date: June 15, 1993  
Approved: Baltasar Corrada del Rio  
Secretary of State  
By: Lourdes I. de Pierluisi  
Assistant Secretary of State

TABLE OF CONTENTS  
RULE 41 OF THE REGULATIONS OF THE  
PUERTO RICO INSURANCE CODE

TABLE OF CONTENTS

SECTION	PAGE
<b>I-</b> General Prohibition	1-2
<b>II-</b> Maximum Premium	2
<b>III-</b> Other Premium Rates	2
<b>IV-</b> Reimbursements	2
<b>V-</b> Deviation from Maximum Premium	2
<b>VI-</b> Lists of Premium Rates	3

COMMONWEALTH OF PUERTO RICO  
OFFICE OF THE COMMISSIONER OF INSURANCE  
PO Box 8330 - Fernández Juncos Station  
Santurce, Puerto Rico 00910-8330

AMENDMENTS TO THE REGULATIONS OF THE PUERTO RICO INSURANCE CODE

Article 1 - By virtue of the provisions of Public Law No. 170, enacted on August 12, 1988, known as the Uniform Administrative Procedures Act and Section 2.040 of Public Law No. 77, enacted on June 19, 1957, as amended, known as the Puerto Rico Insurance Code, the insurance industry, the insured public, and the public in general are hereby notified of the approval of an amendment to Rule 41 of the Regulations of the Puerto Rico Insurance Code for the purpose of:

1. Clarifying that the maximum annual premium rate established under an amendment to this Rule on December 11, 1992 applies to all credit life insurance individual policies, group policies, and certificates that begin or are renewed after the date provided in Section 2 of this amendment and

2. Extending until July 1, 1993, the date on which the annual premium rate indicated in the previous paragraph will enter into effect.

Rule 41 will provide as follows:

RULE 41

CREDIT LIFE INSURANCE

Authority: Sections 18.080 and 18.090

Section 1 - Except as provided in Section 5 of this Rule,

no authorized insurer will issue any individual or group policy or certificate for credit life insurance at a premium rate in excess of the rate set forth below.

Section 2 - The maximum rate to be charged by any authorized insurer in Puerto Rico for decreasing term credit life insurance shall be an annual premium rate of \$0.65 for every \$100 of the initial debt and any premium rate currently on file or that may be filed in the future that does not exceed the maximum rate established herein shall be considered prima facie not to be excessive in relation to the benefits provided.

Section 3 - Premium rates for other kinds of credit life insurance that provide coverage of a different kind or premiums that are different from those that are provided in Section 2 of this Rule will be actuarially consistent with the maximum premium rate specified in Section 2 of this Rule.

Section 4 - In the event that insurance is terminated before the date of maturity of the debt, reimbursement of any amount paid by the borrower for insurance shall be paid or credited in a timely manner to the person who has a right to such reimbursement. It is further provided, however, that no authorized insurer will be obligated to make any reimbursement whatsoever if such reimbursement is for any amount of less than one dollar.

Section 5 - Notwithstanding the provisions of Section 2 of this Rule, any authorized insurer may file with the Commissioner a request for a deviation of the maximum premium rate

established in such section. The request for the deviation shall include the grounds and information to support the proposed deviation.

Section 6 - All insurers authorized to write credit life insurance will submit to the Commissioner of Insurance their premium rate schedules, along with the policy forms. Any revision to these premium rate schedules shall be filed with the Commissioner before the revision enters into effect. Any filing or revision of such premium rate schedules will be subject to the applicable provisions of this Rule.

Article 2 - The amendment to this rule will be applicable to all credit life insurance individual policies, group policies, and certificates that begin or are renewed on or after July 1, 1993.

**SIGNED**

Juan Antonio García  
Commissioner of Insurance

Amended: December 11, 1992

Filed with the State Department: December 15, 1992

Effective date: December 27, 1992

Amended: June 15, 1993

Filed with the State Department: June 15, 1993

Effective date: July 1, 1993