



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER INSURANCE

Fermín M. Contreras-Gómez
Commissioner of Insurance

June 6, 2003

CIRCULAR LETTER NO.: C-L-5-1692-2003

TO ALL DOMESTIC INSURERS, HEALTH SERVICES ORGANIZATIONS, GENERAL AGENTS, MANAGERS, AGENTS, BROKERS, ADJUSTERS, CONSULTANTS, SOLICITORS, AND ATTORNEYS IN FACT

RE: INFORMATIVE BULLETIN ON THE REQUIREMENTS OF PUBLIC LAW NO. 159, ENACTED ON AUGUST 8, 2002, THE MANDATORY REGISTRATION OF MERCHANTS AND BUSINESSES ACT

Dear Sirs and Madams:

Public Law No. 171, enacted on August 12, 2000, established the Voluntary Registry of Merchants and Businesses which is administered by the Commerce Development Administration of the Commonwealth of Puerto Rico. The purposes of the registry include:

1. Creating a mechanism for gathering information to facilitate carrying out studies or research related to issues or obstacles to business in Puerto Rico;
2. Maintaining reliable statistical information to coordinate or create economic benefits;
3. Maintaining an inventory of merchants, firms, and businesses, and the goods or services that they provide to the internal or external market or that have export potential.

In August 2002, Public Law No. 171 was amended by Public Law No. 159, enacted on August 10, 2002, known as the "Mandatory Registration of Merchants and Businesses Act." As provided in the Act, beginning in August 2002, **compulsory** registration is required for all merchants or businesses engaged in commercial activities that generate more than fifty thousand dollars (\$50,000) a year in sales or services and that operate or have their principal place of business in the Commonwealth of Puerto Rico.

"Commercial activity" shall be deemed to be any kind of business or service enterprise that operates for profit.

In view of the above, the provisions of Public Law No. 159, and therefore, the obligation to register at the Registry of Merchants and Businesses, are applicable to the licensees of this Office. According to Circular Letter No. 03-01-001, issued on January 10, 2003 by the Commerce Development Administration, the deadline for registration at the Registry is **July 15, 2003**. Any business that has the obligation to register and has not done so on or before that date, will be subject to the imposition of an administrative fine of no more than five thousand dollars (\$5,000). Failure to properly complete the registration form will also be grounds for imposing sanctions.

This Circular Letter shall be considered to be a notification of the requirement of mandatory compliance with the provisions of Public Law No. 171, enacted on August 12, 2000, as amended by Public Law No. 159, enacted on August 10, 2002. A copy of Circular Letter No. 03-01-001, issued by the Commerce Development Administration, as well as a copy of the forms that are need to comply with such laws, are available at the Web page of the Commerce Development Administration: <http://www.fomentocomercialpr.com>.

For any clarification or additional information regarding the provisions of that Circular Letter or the Mandatory Registry of Merchants and Businesses, you may contact the Office of Legal Affairs of the Commerce Development Administration at (787) 294-0101, extension 400.

All domestic insurers, health services organizations, general agents, managers, agents, brokers, adjusters, consultants, and attorneys in fact that hold a license or authorization issued by this Office, shall take note of the content of this Circular Letter.

Very truly yours,

SIGNED

Fermín M. Contreras-Gómez
Commissioner of Insurance

cc: Mr. Antonio Sosa-Pascual
Administrator, Commerce Development Administration

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