



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER INSURANCE

December 23, 2005

CIRCULAR LETTER NO.: C-AM-12-1756-2005

TO AUTOMOBILE CLUBS OR ASSOCIATIONS, SERVICE CONTRACT PROVIDERS, DOMESTIC AND FOREIGN INSURERS AND THE COMPULSORY LIABILITY JOINT UNDERWRITING ASSOCIATION, THAT PROVIDE TOW TRUCK SERVICES UNDER ROADSIDE ASSISTANCE COVERAGE, OR ADDITIONAL, INCIDENTAL OR SUPPLEMENTARY COVERAGE

REQUIREMENTS ESTABLISHED BY THE PUBLIC SERVICE COMMISSION FOR TOW TRUCK SERVICES

Public Law No. 109, enacted on June 28, 1962, known as the Public Service Act of Puerto Rico, empowers the Public Service Commission (hereinafter, the Commission), among other matters, to oversee and regulate public services companies and contracted carriers in its jurisdiction.

On October 3, 2004, the Commission published a notice in a newspaper of general circulation regarding tow truck cargo transportation service, in which, among other matters, insurance companies were notified that when contracting concessionaires to provide tow truck service it was important that the parties to be contracted be authorized to provide the services, that the vehicles they used have current permits, and the rates to be paid were approved. They were reminded also that the issuances of these permits and the approval of the rates are the exclusive purview of the Commission.

Notwithstanding the above, the Commission has brought to our attention that in spite of the efforts made by the Commission to disseminate this information, the Commission continues to receive complaints from some of its concessionaires who claim that our licensees are issuing tow truck service contracts without taking into consideration the requirements that the Commission imposes on them, which could create unfair competition in the business that the Commission regulates.

Therefore, all automobile clubs or associations, service contract providers, domestic and foreign insurers or the Compulsory Liability Joint Underwriting Association, that offer or contract tow truck services from an entity, natural person or legal entity must ensure and corroborate that such entity or person has and maintains a current license for each tow truck, and it is also required that they must be in compliance with the rates approved by the Commission for the services they provide.

Strict compliance with the provisions of this Circular Letter is hereby required.

Very truly yours,

SIGNED

Dorelisse Juarbe-Jiménez
Commissioner of Insurance