



COMMONWEALTH OF PUERTO RICO  
**OFFICE OF THE COMMISSIONER OF INSURANCE**

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March 18, 2016

**RULING LETTER NO.: CN-2016-196-AF**

TO ALL PERSONS CONTROLLING DOMESTIC INSURERS AND HEALTH SERVICES ORGANIZATIONS

**ANNUAL REPORT ON BUSINESS RISK**

Chapter 44 of the Insurance Code was adopted under Public Law No. 51-2012 to regulate insurance and health services organizations holding companies and the control relationship, as well as other transactions that are carried out between affiliates. For this purpose the Chapter establishes requirements for reporting to the Commissioner certain transactions of the insurer or health services organization, its affiliates, and the entire system of affiliated companies.

Section 44.050 (m) of the Chapter specifically establishes the requirement to file an annual report regarding business risk:

“Any person that holds control of an insurer or health services organization shall file an annual report on business risk, that to its best knowledge and information involves one or more persons affiliated with the insurer or health services organization and which if not cured in a timely manner will probably cause an adverse effect on the financial status or liquidity of the insurer or the members that are part of the control structure of the insurance holding company. This report shall be filed with the Commissioner of the State to which the person that holds control of the insurer or health services organization belongs, according to the criteria established in the Financial Analysis Manual adopted by the NAIC.”

Full compliance with this provision requires that all persons domiciled in Puerto Rico that control a domestic insurer or health services organization submit this information to this office according to the criteria established in the Financial Analysis Manual and “*Schedule F*” on business risk adopted by the National Association of Insurance Commissioners (NAIC).

You are advised that the annual report on business risk for 2016 must be filed on or before June 30, 2016. Strict compliance with the guidelines in this letter is hereby required.

Very truly yours,

SIGNED

Ángela Weyne-Roig  
Commissioner of Insurance