



GOVERNMENT OF PUERTO RICO
Office of the Commissioner of Insurance

October 6, 2017

RULING LETTER NO. CN-2017-225-D

TO ALL INSURERS THAT ARE AUTHORIZED TO CONTRACT INDIVIDUAL OR COMMERCIAL PROPERTY AND HAZARD INSURANCE IN PUERTO RICO, THEIR GENERAL AGENTS, AUTHORIZED REPRESENTATIVES, AND THE PUBLIC AT LARGE

2017 HURRICANE SEASON – EXCLUSION FROM COVERAGE DUE TO PROPERTY BEING UNOCCUPIED OR VACANT

Dear Sirs and Madams:

On September 4 and 17, 2017, the Governor of Puerto Rico, Hon. Ricardo A. Rosselló-Nevores, issued Executive Orders Numbers OE-2017-045 and OE-2017-047, decreeing a state of emergency in Puerto Rico due to the passage of Hurricane Irma and the imminent impact of Hurricane María, respectively. Likewise, on September 18, 2017, the President of the United States, Donald J. Trump, decreed a state of emergency and ordered federal assistance to be provided in view of how Hurricane María was to hit the Island. As a consequence of the passage of these hurricanes, thousands of Puerto Ricans have been relocated or otherwise been forced to temporarily abandon their personal or commercial belongings and/or properties.

Therefore, under the powers and capacities vested in the Commissioner of Insurance under the provisions of Section 2.030 of Public Law No. 77, enacted on June 19, 1957, as amended, the Office of the Commissioner of Insurance, with a view to protecting the best interests of public safety and exercising sound and reasonable public administration, has provided that all insurers that are authorized to contract property and hazard insurance in Puerto Rico may not deny a claim of an insured who has been relocated from his or her home or property by the competent state or federal authorities or has been forced to temporarily leave his or her home or property under reasonable circumstances, which otherwise would have been covered, due to the fact that the property was unoccupied or vacant. Any provision in the respective insurance contract regarding exclusion of coverage due to the property being unoccupied or vacant will not be applicable in the aforementioned circumstances.

This Ruling Letter will not be applicable to insureds that had permanently vacated the property before September 4, 2017. The guidelines established hereby will be effective from the date of this Ruling Letter until such date as the state of emergency ends or the Commissioner of Insurance suspends such, whichever occurs first.

All of the insurers in the above heading are advised that this Ruling Letter does not exempt them from compliance with all other provisions of the Insurance Code, Public Law No. 77-1957,



supra, with regard to any provision that does not contravene the guidelines and criteria set forth herein. Strict compliance with the guidelines set forth herein will be required. Failure to comply with such guidelines will entail the imposition of severe sanctions.

Very truly yours,

Javier Rivera-Ríos, LUCTF
Commissioner of Insurance