



GOVERNMENT OF PUERTO RICO  
Office of the Commissioner of Insurance

July 25, 2018

**RULING LETTER NO. CN-2018-243-D**

**TO ALL INSURERS THAT WRITE PROPERTY AND CASUALTY INSURANCE IN PUERTO RICO, THEIR GENERAL AGENTS, AUTHORIZED REPRESENTATIVES, PRODUCERS, ADJUSTERS, AND GENERAL PUBLIC**

**PRELIMINARY ADJUSTMENT REPORT**

Dear Sirs and Madams:

Sections 27.161(3) and (6) of the Puerto Rico Insurance Code, 26 L.P.R.A. sec. 2716a(3) and (6), prohibit failing to adopt and implement reasonable methods for the swift investigation of claims and that in the claim adjustment process a good faith effort is not made to make a swift, fair, and equitable adjustment. In addition, Section 9.300(2)(b) of the Puerto Rico Insurance Code, 26 L.P.R.A. sec. 951q(2)(b), imposes the obligation on all independent adjusters to provide the insured and claimants with a timely and informed service.

As relevant, Section 9.370 of the Puerto Rico Insurance Code, 26 L.P.R.A. sec. 952g, provides the following:

Every producer, general agent, solicitor, adjuster, consultant, reinsurance intermediary, or proxy shall submit, at the request of the Commissioner, a report about his/her insurance business or about any matter or loss he/she has transacted, or in which he/she has participated or about which he/she has information.

Said report shall be submitted in the form provided by the Commissioner for doing so and shall contain in an exact and precise manner all the information pertinent to the period provided by the Commissioner. Failure to comply with the provisions herein shall entail the imposition of sanctions, including non-renewal, suspension or revocation of the license.

According to the above, and for the purpose of encouraging and overseeing that claim adjustments are carried out in an agile and timely manner, this Office hereby requires all adjusters, whether they are independent or public adjusters, and producers acting as public adjusters under the provisions of Sections 9.310(1) and (2) of the Puerto Rico Insurance Code, 26 L.P.R.A. sec. 952(1) and (2), that in a term not to exceed twenty-one (21) days from the date on which a claim adjustment is assigned to them submit to the party on behalf of which the adjustment is being made, whether it is the insurer, the insured or the claimant, a preliminary report of the adjustment of the claim. Subsequently, the report shall be updated according to the action that has been taken in intervals of no more than every fifteen (15) days, until the final



adjustment is completed. The preliminary reports shall contain all action taken by the adjuster, leading to the adjustment and resolution of the claim in a diligent and fair manner. In addition, within five (5) business days of determining the loss, the adjuster shall submit a final report including an itemized statement of the amount to be paid for the loss, as agreed between the parties.

Adjusters or producers acting as public adjusters shall maintain in their records copies of the preliminary reports and the final report of the adjustment, with evidence of the date of submission of such, as proof of compliance with this Ruling Letter and the provisions of sections 27.161(3) and (6) and 9.300(2)(b) of the Puerto Rico Insurance Code, *supra*. For its part, the insurer shall also maintain in its records copies of the preliminary and final adjustment reports for the claims.

Adjusters or producers who act as public adjusters are advised that failure to comply with the provisions of this Ruling Letter will entail the imposition of sanctions.

Strict compliance with the provisions of this letter is hereby required.

Very truly yours,

**Javier Rivera-Ríos, LUTCF**  
Commissioner of Insurance of Puerto Rico