

Commonwealth of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE
P. O. Bcx 3508 - Old San Juan Station
San Juan, Puerto Rico 00904

September 26, 1974
AM-I-9-618-74

TO ALL INSURANCE COMPANIES AUTHORIZED TO TRANSACT
TITLE INSURANCE BUSINESS IN PUERTO RICO

Dear Sirs:

This Office has recently concluded a study concerning title insurance business in Puerto Rico. One of the major findings of this study was that title insurance companies are not complying with the provisions of Article 12.150 of the Insurance Code of Puerto Rico, which reads as follows:

"Article 12.150. Statistical Reports Required. (1) Every authorized insurer shall annually file with the rating organization of which it is a member or subscriber, or with such other agency as the Commissioner may approve, a statistical report showing a classification schedule of its premiums and losses on all kinds or types of insurance business to which this section is applicable, and such other information as the Commissioner may deem necessary or expedient for the administration of the provisions of this chapter. The Commissioner may from time to time prescribe the form of such report including statistical data conforming to established classifications. Such statistical reports shall be consolidated in accordance with regulations prescribed by the Commissioner. No insurer shall be required to record or report its loss experience on a classification basis that is inconsistent with the rating system filed by it.

(2) Statistical plans and rules may be promulgated for the recording and reporting of expense experience as to items which are specially applicable to Puerto Rico and are not susceptible of determination by a prorating of expense experience elsewhere.

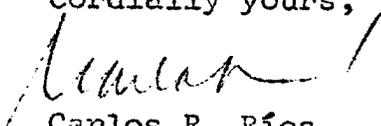
(3) In the promulgation of statistical plans and rules, the Commissioner shall give consideration to the rating systems on file with him and, in order that such rules and plans may be as uniform as is practicable with those of the several states of the United States, to the rules and to the form of the plans in such states."

This situation is mostly due to the fact that there is no central statistical agency to which title insurers may inform their statistics.

This Office has designed a form to assist title insurers in complying with the aforementioned provisions of the Insurance Code. Hence, we are hereby requesting that all title insurance companies submit in duplicate, a statistical report, as outlined in the enclosed forms, not later than July 1 of each year for business transacted between January 1 and December 31 of the previous year. The report must be rendered on an accident year basis, that is, premiums earned during the year against claims received during the year for which an amount was paid or a reserve was established.

The first report under this Circular Letter shall be due on July 1, 1975.

Cordially yours,


Carlos R. Ríos
Commissioner of Insurance

Company

STATISTICAL REPORT FOR TITLE INSURANCE EXPERIENCE

ACCIDENT YEAR ENDING

State of Puerto Rico

Item Number	Sub-Line of Business	Direct Premiums Written	Direct Premiums Earned	Net or in connection with Issuance of Policy	All fees or charges	INDIVIDUALITY	Reserve for Losses but not Paid	Reserves for Inc. but not rep. Losses	Number of Claims	Commissions Incurred	EXPENSES	All Other Expenses
1	Orig. Title Ins. on first mortgages											
2	Reissued Tit. Ins. on first mortgages											
3	Title Ins. on Substitution Loan											
4	Title Ins. of Sec. Mortgages Extension of											
5	Mortgages loans Assignment of											
6	Mortgage loans Orig. Title											
7	Ins. or Owners or Leasehold Policies											
8	Reissue Title Ins. on Owners or Leasehold Policies											
9	Miscellaneous Charges											
	TOTAL											

Read Instructions at Dorsum

Signature Authorized Representative