



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

February 18, 2004

RULING NO: N-ES-2-47-2004

**TO ALL REINSURERS AUTHORIZED TO TRANSACT BUSINESS IN
PUERTO RICO**

Re: 2003 ANNUAL STATEMENT

Dear Ladies and Gentlemen:

Sections 1.020 and 1.050(4) of the Insurance Code of Puerto Rico, 26 LPR sections 102 and 105(4), subject reinsurers to the same requirements imposed on insurers, except for sections where reinsurers are expressly excluded, or any of those where it is clear that its content is not applicable.

One of those requirements is the one stipulated in section 3.310(1) and (2) of the Insurance Code of Puerto Rico, 26 LPR sections 331 (1) and (2), which provides the following:

"(1) Each authorized insurer shall annually, **before the thirty-first day of March**, file with the Commissioner a true statement of its financial condition, transactions, and affairs as of the December 31st preceding. The statement shall be on forms as prescribed by the Commissioner, shall contain information as required by this Code and by the Commissioner, and shall be verified by the oath of at least two of the insurer's principal officers. The annual statement of a reciprocal or Lloyd's insurer shall be verified by his attorney-in-fact. (Emphasis supplied).

(2) The annual statement of a foreign insurer not formed in the United States but authorized to transact insurance in a state of the United States,

may relate only to its assets, transactions, and affairs in the United States and Puerto Rico (and including, at the insurer's option, the Virgin Islands and the Canal Zone) unless the Commissioner requires otherwise. The statement may be verified by the insurer's United States manager or by its officers duly authorized."

Pursuant to the aforesaid sections, the annual statement for calendar year ending December 31, 2003, must be filed in this Office **on or before March 30, 2004**.

Foreign reinsurers organized in the United States, or with port of entry in one of a state of the United States, do not have to submit to this Office the hard copy and electronic filing of the annual statement. Instead of said filing, to comply with the aforementioned provisions, the foreign reinsurer shall submit to this Office an Affidavit of Filing and Financial Statement Attestation in the form enclosed, evidencing the filing with the NAIC.

Foreign reinsurers not organized in the United States that do not file electronically in the NAIC, must submit a hardcopy of their annual statements. In accordance with the provisions of Section 3.310(2), cited above, such foreign reinsurers, which elect to file an annual statement pertaining only to their United States business, must include also the information regarding their Puerto Rico affairs and transactions.

Foreign reinsurers are also required to submit a hard copy and diskette filing of the **Certification of the Investment in Puerto Rico Securities**, which is available in our web site at http://www.ocs.gobierno.pr/downloads/cert_inv.doc (in MS Word format). We are also enclosing a hardcopy of the Certification form for the convenience of those reinsurers, who cannot access it in our web site.

Notwithstanding the above, foreign reinsurers not organized in the United States, but authorized to transact insurance business in Puerto Rico, which close their books on a date other than December 31 of each year, must submit, **on or before March 30, 2004**, in lieu of the aforesaid annual statement, a transmittal letter with the following information:

1. Contact person and mailing address.
2. Date on which the reinsurer closes its books of account.
3. Summary of insurance business transacted in Puerto Rico during calendar year 2003.
4. Summary of investments in Puerto Rico for that calendar year.
5. Balance Sheet for the preceding calendar or fiscal year.
6. Date on which it is estimated the reinsurer can submit its annual statement to this Office.

Every reinsurer that does not maintain with the Secretary of the Treasury of Puerto Rico through this Office, the deposit requested in Section 3.130 of the Insurance Code of

Puerto Rico, for the protection of all its policyholders and creditors in Puerto Rico, and whose state of domicile is a reciprocal state concerning such deposit, shall submit a the certificate from the public official invested with the authority to supervise de business of insurance in the state, showing that a deposit by such reinsurer is being held in trust in such state and maintained for said purposes.

Annual filings of reinsurers organized in the United States, must follow all established instructions as specified in the *NAIC Annual Statement Instructions*. For more information regarding Annual filings, please log on to the NAIC web site at www.naic.org and select Filing Instructions.

Strict compliance with the aforesaid provisions is hereby required.

Cordially,

Dorelisse Juarbe Jiménez
Commissioner of Insurance

Enclosure