

Rule 41

Credit Life Insurance

Section 1: Issuing of Policies

Except as provide in Section 5 of this Rule, no authorized insurer will issue any individual or group policy or certificate for credit life insurance at a premium rate in excess of the rate set forth below.

Dossier 4933A, June 15, 1993

Section 2: Maximum premium

The maximum rate to be charged by any authorized insurer in Puerto Rico for decreasing term credit life insurance shall be an annual premium rate of \$0.65 for every \$100 of the initial debt and any premium rate currently on file or that may be filed in the future that does not exceed the maximum rate established herein shall be considered prima facie not to be excessive in relation to the benefits provided.

Dossier 4933A, June 15, 1993

Section 3: Other Premium Rates

Premium rates for other kinds of credit life insurance that provide coverage of a different kind or premiums that are different from those that are provided in Section 2 of this Rule will be actuarially consistent with the maximum premium rate specified in Section 2 of this Rule.

Dossier 4933A, June 15, 1993

Section 4: Reimbursements

In the event that insurance is terminated before the date of maturity of the debt, reimbursement of any amount paid by the borrower for insurance shall be paid or credited in a timely manner to the person who as a right to such reimbursement. It is further provided, however, that no authorized insurer will be obligated to make any reimbursement whatsoever if such reimbursement is for any amount of less than one dollar.

Dossier 4845, October 15, 1992

Section 5: Deviation from maximum premium

Notwithstanding the provisions of Section 2 of this Rule, any authorized insurer may file with the Commissioner a request for a deviation of the maximum premium rate established in such section. The request for the deviation shall include the grounds and information to support the proposed deviation.

Dossier 4845, October 15, 1992

Section 6: Premium Rate Schedules

All insurers authorized to write credit life insurance will submit to the Commissioner of Insurance their premium rate schedules, along with the policy forms. Any revision to these premium rate schedules shall be filed with the Commissioner before the revision enters into effect. Any filing or revision of such premium rate schedules will be subject to the applicable provisions of this Rule.

Dossier 4845, October 15, 1992

Section 7: Applicability

This Rule shall be applicable to all new or renewed contracts ninety (90) days after the date in which the Rule enters into effect.

Dossier 4933A, June 15, 1993