

**COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE**

**PROTECTED CELL INSURANCE COMPANY
INDIVIDUAL CELL SUPPLEMENTAL APPLICATION**

INSTRUCTIONS:

1. Complete all sections.
2. If any question is inapplicable, please clearly indicate by marking "N/A".
3. An International Insurer must submit a completed application and copy of its Operational Plan to the Commissioner, at least sixty (60) days prior to establishing and operating one or more Protected Cells.
4. If the Commissioner does not disallow the plan within thirty (30) days of the date of submission, the Operational Plan will be deemed to have been approved, although the Commissioner may extend such period if notice is given within said thirty (30) day period.
5. Any amendments to the Operational Plan made after initial approval, must be submitted to the Commissioner at least thirty (30) days prior to its implementation.
6. Completed forms should be submitted to: Commissioner of Insurance, Commonwealth of Puerto Rico, P.O. Box 8330, San Juan, Puerto Rico 00910-8330.

1. Name of Protected Cell International Insurer: _____

2. Name or Proposed Name of Applicant (Cell): _____

3. Please attach the following:

- a. List of all names (including any previous names) and addresses of cell user(s), together with the number and class and percentage of shares or other ownership or control interest (to be) held directly or on their behalf (large publicly held corporations need only list those beneficial shareholders owning over 5% of their voting shares). The list should identify individuals and their respective shareholders, an a completed

biographical affidavit should be submitted for each individual shareholder.

- b. In those cases where cells are beneficially owned by corporate body(ies) or the company is part of a group, the chain of connection to the ultimate beneficial owners, a group organization chart showing all associated and affiliated companies. Ownership and affiliation shall be measured by voting power of 5% or equivalent control.
- c. Latest audited financial statements of the immediate parent of the proposed cell, if applicable, the consolidated accounts of the group;
- d. Provide all of the information required in Section D of the International Insurer Application for Authorization plus the Plan of Operations, which must demonstrate how the applicant will account for the loss and expense experience of each protected cell and report that information to the Commissioner.
- e. The Plan of Operations must also include at least the following: Business objectives; Directors, Officers in charge and Managers; Obligations and method for identifying said obligations; Account assets and method for identifying said assets; Investment policy with regard to account assets; Securitization plan, if any. Please keep in mind that all securitization plans shall be subject to the provisions of Article 28.170 of the Puerto Rico Insurance Code with regard to solicitations of residents of Puerto Rico.
- f. Copy of the contract between the Protected Cell Insurance Company and cell owner(s) together with all agreements between cell owner(s) and service providers, including policy-issuing carrier and reinsurer(s).

4. The expected risk gap for the cell and how it is to be funded: _____

5. Who are signatories to the cell's financials? Please include their respective titles and duties.

a. _____ d. _____

b. _____ e. _____

c. _____ f. _____

6. Proposed start-up date of the cell? _____

7. What is the cell owner's business? _____

8. What coverage(s) are to be written? _____

9. Have any of the parties connected with this application ever applied, either individually or in conjunction with others, for authority to transact insurance business in any other jurisdiction? If so, please provide details and supporting documentation. _____

10. Will the International Insurer manager underwrite the business? If not, who will? _____

11. Will the International Insurer's manager handle the claims? If not, who will? _____

12. Are there any other service providers involved? Explain any relationship between the cell (including directors and officers of the cell owner) and any person or organization remunerated directly or indirectly (i.e. insurance brokers, etc.) by the cell: _____

13. What is the maximum premium income which the cell proposes to earn during the first financial year? _____

14. If the cell is not fully funded in the formative years, what provision has been made if there are early losses? _____

15. Who is the policy-issuing carrier for the program? Include all relevant contact information _____

16. Who is the excess and aggregate reinsurer? Include all relevant contact information _____

CERTIFICATION

I certify that the information given in this application is true and correct and that all estimates given are true estimates based upon the facts that have been carefully considered and assessed. Furthermore, I affirm that pursuant to Article 61.050(9) of the Puerto Rico Insurance Code, the Protected Cell Company shall notify the Commissioner in an expedited manner and in writing, of any change in the information submitted as part of this application within ten (10) days of said change.

Name: _____ Date: _____

Signature: _____

Title: _____

Affidavit No. _____

Personally appeared before me the above named _____ personally known to me, who, being duly sworn, deposes and says that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this _____ day of _____, 20__

NOTARY PUBLIC