



OFICINA DEL COMISIONADO
DE INSTITUCIONES FINANCIERAS

OCIF

GOBIERNO DE PUERTO RICO

DRAFT

**REGULATIONS TO ESTABLISH THE RULES OF PROCEDURE
FOR THE ISSUANCE AND RENEWAL OF LICENSES, FRANCHISES AND PERMITS**

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**REGULATIONS TO ESTABLISH THE RULES OF PROCEDURE
FOR THE ISSUANCE AND RENEWAL OF LICENSES, FRANCHISES AND PERMITS**

RULE 1. TITLE

The short title of these Regulations is: "Regulations for the Issuance and Renewal of Licenses, Franchises and Permits".

RULE 2. LEGAL BASIS

These Regulations are promulgated by virtue of the authority vested in the Office of the Commissioner of Financial Institutions, (hereinafter referred to as "OCIF") by the following laws:

- a. Act No. 4 of 11 October 1985, as amended, known as the "Office of the Commissioner of Financial Institutions Act" ("Act No. 4"); and
- b. Act No. 38 of June 30, 2017, as amended, known as the "Uniform Administrative Procedure Act of the Government of Puerto Rico" ("Act No. 38-2017").

RULE 3. PURPOSE

The purpose of these Regulations is to implement the legislative intent embodied in Act No. 4 with regard to the powers delegated to the OCIF to issue licences, franchises and permits. In addition, it is intended to establish the rules and regulations relating to the issuance and renewal of licences, franchises and permits.

In line with the above, the OCIF certifies that the approval and implementation of this Regulation does not have any additional fiscal impact for the OCIF, or for the public in general. An analysis of the cost-benefit of the Regulation shows that its adoption is a requirement imposed by law and does not imply greater costs for the treasury, nor for the citizenry.

RULE 5. SCOPE AND APPLICABILITY

These Regulations apply to all procedures aimed at the issuance and renewal of licenses, franchises and permits by the OCIF. In addition, it sets out the terms within which the OCIF will process applications under Act No. 4 and Act No. 38-2017.

RULE 6. DEFINITIONS

For the purposes of these Regulations, the following terms shall have the meanings set forth below:

- a. **Day** – These are calendar days, except in those cases in which otherwise expressly provided. Any provision of these Regulations that requires that an act or an event occur on a specific day or date, and such day or date happens to be a Saturday, Sunday, or official holiday in Puerto Rico, such provision shall be understood to refer to the next day following such day or date. When the period granted is less than seven (7) days, Saturdays, Sundays, and official holidays in Puerto Rico, within said period, will be excluded from the calculation. Half a day of holiday and/or government or administrative shutdown order will be considered as an official holiday in its entirety.
- b. **Financial Institutions** – those institutions so defined in Act No. 4 or any other special law administered by the OCIF, as well as any person subject to the supervision or supervision of the OCIF. It also includes any person or entity that operates a business licensed or permitted by the OCIF.
- c. **License or Permit** - includes all or part of a permit, approval, franchise, or other form of permit granted by the OCIF. This term does not include administrative determinations interpreting laws, rules, or regulations under the jurisdiction of OCIF.
- d. **OCIF** – means the Office of the Commissioner of Financial Institutions.
- e. **Person** – means any natural or legal person, including, but not limited to, individuals, partnerships, corporations, limited liability companies, trusts, or any other entity.

The definitions listed above include the plural and singular, as well as the masculine and feminine genders of these terms.

RULE 7. REQUESTS

Rule 7.1. Requests

Applications for licenses or permits shall be submitted in writing using the forms prescribed for that purpose by the OCIF. The forms may be amended in all respects or substituted, at the discretion of the OCIF.

Rule 7.2. Documents supplementing the application

Along with the license application, the complementary documents required by each type of license to work said application must be included. Provided that the OCIF may require additional documents to those initially required, in accordance with Rule 8.4 of these Regulations.

RULE 8. SUBMISSION OF APPLICATION

Rule 8.1. Presentation

Any application for a license, permit or franchise shall be submitted to the OCIF, in person, by regular mail or by email to the following address; reglamentacion@ocif.pr.gov. If the law, regulation, or license application form under which the applicant intends to operate establishes a specific method for filing the application, the applicant shall use the method required by the applicable law, regulation, or form.

Rule 8.2. Application Matching

Upon receipt of the application for a license, permit or franchise, the OCIF official will review whether it meets the corresponding requirements and in case the application is incomplete, a notification will be sent to the applicant indicating the deficiencies.

Rule 8.3 Notification of Incomplete Application

In the event that the application for a licence, permit or franchise is incomplete or one or more of the required supporting documents have not been attached, the OCIF shall notify the applicant in writing of such fact and request the necessary documents or information.

Any incomplete application will be considered as never filed, until it is completed.

Rule 8.4. Request for additional information or documents

At any time during the processing of the application for a license, permit or franchise, the OCIF may require all such information or documents as it deems necessary or in the best public interest to carry out the investigation required for the granting of the license, permit or franchise.

Any application that is not completed within the period granted, as required by the OCIF, will be understood as incomplete.

RULE 9. WITHDRAWAL

If the applicant does not complete the application within thirty (30) days from the corresponding notification, or during the time established in the notification of incomplete application, the application will be considered withdrawn.

This term may be extended at the request of the applicant, which must be submitted in writing before the term expires, establishing the reasons that justify granting the requested extension. In addition, it must establish a specific term to comply with the filing of the application and/or documents required by the OCIF. It will be at the discretion of the OCIF, if it understands that there is just cause, to grant the requested extension or establish a different term.

RULE 10. TERM FOR THE PROCESSING OF LICENSES OR PERMITS

The OCIF will process the issuance of licenses or permits within the following terms:

- A. Licences or permits processed by the Depository Financial Institutions Area:
 - 1. Permissions to organize: 180 days
 - 2. Licenses: 90 days
 - 3. Renewals: 60 days
 - 4. Other Permits: 60 days
- B. Licenses or permits issued by the Non-Depository Financial Institutions Areas (except those granted under Act No. 221 of May 15, 1948, as amended, known as the "Gambling Law," including laws subsequently adopted to amend or replace it).
 - 1. Licenses: 180 days
 - 2. Permits: 90 days
 - 3. Renewals: 60 days
- C. Licenses or permits processed by the Securities Areas:
 - 1. Broker-Dealer Licenses,
Investment Agents and Advisors: 45 days
 - 2. Renewals: 45 days
- D. Licenses or permits granted under the "Gambling Law":

1. Franchises: 180 days
2. Other permits: 90 days

RULE 11. BEGINNING OF THE TERM

The terms for processing the issuance of licenses, permits or franchises will begin to run from the date on which a complete application is determined and is accompanied by all necessary complementary documents or those that have been required by the OCIF as part of the evaluation of the application.

RULE 12. INTERRUPTION OF THE TERM

When, for the issuance of a license, permit or franchise, the OCIF requests a local, federal or international governmental entity to carry out an investigation or to provide its advice, report or endorsement in relation to the application, the terms for the issuance of these will be interrupted until such entity expresses itself in this regard.

In addition, these terms will be interrupted when the OCIF requires additional information or documents, as provided for in Rule 8.4 of these Regulations.

Once the issuance term has been interrupted for one of the reasons contemplated in these Regulations or for any other justified reason, said term will begin again once all the required and necessary documentation for the evaluation of the application itself is received, or the previously required advice, report or endorsement is received.

RULE 13. DENIAL OF LICENSE OR PERMIT

The notice of denial shall include findings of fact, including a clear and specific statement of any and all deficiencies found, findings of law, and a warning of the adversely affected party's right to seek formal reconsideration before the OCIF and on its right to review before the Court of Appeals. Provided that, in the event that the applicable special law provides for another method of review of the notice of refusal, the process to be followed by the adversely affected party will be the method provided for in the applicable special law.

RULE 14. RENOVATION

The provisions of these Regulations shall also apply to renewals of licences, permits and franchises.

Applications for renewal of license, permit, or franchise must be filed with OCIF at least **thirty (30) days prior** to the expiration of the license, permit, or franchise, unless the law applicable to the license, permit, or franchise requires a different filing term. All renewal applications must be submitted in writing using the forms provided by the OCIF.

In cases where any applicable special law requires the license to be renewed on or before December 31, provided that the Financial Institution submits the renewal application as set forth above, the Financial Institution may continue to operate during the renewal process (unless otherwise stated by the Commissioner). It is provided that, if deficiencies are identified in the renewal process, they will be notified and must be corrected expeditiously by the Financial Institution.

The OCIF, if it deems it necessary and convenient for the public interest, during the renewal process, may require additional documentation that it deems necessary, including those documents applicable to the issuance of the original license, permit or franchise.

RULE 15. PUBLICATION

The OCIF, in its sole discretion, may, from time to time, publish on its website or by any method it deems appropriate, a list of all Persons or Financial Institutions that have not renewed their license or that have been denied.

RULE 16. TERMINATION CLAUSE

The provisions of these Regulations are independent and separable. If any word, phrase, sentence, subsection, article, rule, section, title or other provision of these Regulations is declared unconstitutional or null and void by a competent court, the remaining provisions thereof shall not be affected, impaired or invalidated. The effect of the nullity or unconstitutionality shall be limited exclusively to the word, phrase, sentence, subparagraph, article, rule, section, title or provision of these Regulations that has been so declared, and the regulations thus modified by the decision of said Court shall continue in full force and effect.

RULE 17. REPEAL

This Regulation repeals Regulation No. 4088 of January 16, 1990, known as the "Regulations for Establishing the Procedural Rules for the Issuance of Licenses, Franchises and Permits."

RULE 18. VALIDITY AND APPROVAL

These Regulations shall enter into force thirty (30) days after their presentation to the Department of State of the Government of Puerto Rico, in accordance with the provisions of Act No. 38-2017, including the laws that are subsequently adopted to amend or replace it.

This was approved by the Commissioner of the Office of the Commissioner of Financial Institutions in San Juan, Puerto Rico, today, May ____, 2025.

Lcda. Natalia I. Zequeira Díaz
Commissioner