

RULE XX

INVESTIGATION EXPENSES FEES FOR THE INSURANCE INDUSTRY

Legal Authority: Article 2.170 and 12.330

Article 2. Reimbursement for the expenses incurred due to the regular salaried members of the Commissioner's staff in the participation of investigations of the insurance industry shall be based on the classifications, levels and rates which are described much further, with the exception of those investigations which are conducted outside of the territorial limits of Puerto Rico. In addition, reimbursement for each examiner's daily salary and transportation expenses shall be made according to the norms set forth for the examiners and employees of the Commonwealth of Puerto Rico.

a) The rates or charged shall be per man-day and according to the following levels and classifications:

TABLE OF RATES AND LEVELS

<u>Classification</u>	<u>Level</u>	<u>Daily Rate</u>
Attorney I	I	\$168
Attorney II	II	175
Attorney III	III	192
Attorney IV	IV	209
Actuarial Assistant I	I	103
Actuarial Assistant II	II	116
Actuarial Assistant III	III	137
Actuary I	IV	155
Actuary II	V	168
Actuary III	VI	184
Policy Analyst II	I	112
Auditor I	I	103
Auditor II	II	112
Auditor III	III	131
Auditor IV	IV	148

<u>Classification</u>	<u>Level</u>	<u>Daily Rate</u>
Auditor V	V	162
Auditor VI	VI	168
Head Auditor III	VI	214
Administrative Aide	III	139
Special Aide I	V	167
Special Aide II	VI	204
Executive I	III	139
Executive II	V	167
Statistician II	I	107
Statistician IV	II	137
Executive Officer V	IV	155
Complaints Investigator I	I	95
Complaints Investigator II	II	112

b) The rates to be charged for the rest of the regular salaried members of the Commissioner's staff shall be determined based on the salary earned by said personnel at moment that the investigation is being conducted.

c) No examiner shall be changed at a rate level that is higher than that which it corresponds according to the following table:

CLASSIFICATION TABLE

- 1) Insurers and Reinsurers----- Level I to VI
- 2) Rating Organizations----- Level I to VI
- 3) Advisory or Service Organizations---- Level I to VI
- 4) Adjusters----- Level I to V
- 5) Brokers, surplus line brokers, non resident brokers and agents, according to the volume of premiums allocated in the year immediately preceding the beginning of the examination, according to the volume of premiums table that follows:
- 6) General Agents, managers, agents and solicitors according to the volume of underwritten premiums (life insurance premiums bing charged) in the year immediately

preceding the commencement of the examination according to the volume of premiums table that follows.

VOLUME OF PREMIUM TABLE

Less than \$400,00 -----Level I to II
\$400,000 or more but less than \$1,000,000 ----Level I to III
\$1,000,000 or more but less than \$2,000,000---Level I to IV
\$2,000,000 or more but less than \$3,000,000---Level I to V
\$3,000,000 or more -----Level I to VI

Article 3. The requested inquiries on behalf of the insurance industry, attorney and other citizenry which the regular salaries members of the Insurance Commissioner's staff have received shall bear the assessment of fees. The classifications, levels and rates of Article 1 of this rule shall be utilized as a basis to determine said fees. Payment of fees to the Commonwealth of Puerto Rico or any of its dependencies or entities or to the United States Government or any of its dependencies or entities are exempted.

The inquiries shall proceed in the forms provided by the Insurance Commissioner for this purpose.

Article 4. In accordance to the authority conferred by Article 2.080(1) of the Insurance Code of Puerto Rico, [26 LPRA sec. 208(1)], the Commissioner may contract actuaries and other insurance technicians, even when said persons are equally employed by insurers and other entities. To these effects the expenses incurred by the participation of one of these persons shall be paid by the person being examined or by the person to whom the service was rendered, at the Commissioner's presentation of a detailed account of said expenses.

Article 5. The investigations conducted outside of the territorial limits of Puerto Rico shall take into consideration, among other things, lodging expenses, meals, reimbursement of assigned personnel, telephone, cables, taxis and other expenses in connection with the investigation.

Article 6. The person being examined shall, within a period of

fifteen days immediately prior to the Commissioner's presentation of the account, make the corresponding payment to that account. In addition to any penalty imposed, the person that does not pay within said time period shall be in default and shall be obliged to pay legal interests at the rate the Financial Board fixes by regulation, according to that which is certified by the Commissioners of Financial Institutions of Puerto Rico and which is in force at that moment, for judicial decisions of a civil nature.

Article 7. If any provision of this Rule were to be found unconstitutional by nonappealable judgment by a competent court, such deposition or sentence shall not affect the other provisions of the same, which shall maintain their validity and effect.

Article 8. All of the provisions which are contained in any of the rules approved by the Insurance Commissioner's Office which oppose or are incompatible with those which are here established shall be understood to be amended pursuant to that which has been established in this Rule.

Article 9. This amendment shall be in force five (5) days after its approval in a general circulation news paper, once a week for two consecutive weeks.

María de los Angeles Montalvo
Interim Insurance Commissioner

Amended: December 6, 1991

Filing date at the Department of State: December 16, 1991