

RULE XXII

DEVIATIONS

Legal Authority: Section 12.140

Section 1.-Every application for permission to file a deviation shall be accompanied by information about:

(a) The earned premium and incurred losses by the applicant in Puerto Rico for direct business, assuming that the insurance were written at the rates in-force when the application is made.

(b) The earned premium and incurred losses by the applicant in all states for direct business.

(c) The incurred expenses specifically assignable to Puerto Rico.

(d) The total incurred expenses specifically assignable to each state. A breakdown by state is not required.

(e) The total incurred expenses that are not specifically assignable to each state.

(f) Any other information on which the application is based.

Section 2.-The information on premium and losses shall include data for each one of the last six calendar years on which it is available.

Section 3.-The information on expenses shall include data for each one of the last three years on which it is available and shall be subdivided in the categories of commissions, claim adjustments, taxes, bureau and advisory organizations, and general administrative expenses.

Section 4.-In those cases in which the insurer has not transacted insurance business during the total periods referred to in Sections 2 and 3 above, the Commissioner may require said information for shorter periods.

Section 5.-If the applicant is paying dividends, the dividend being payed shall be informed with indication of how it will be affected in case the application is approved.