



Commonwealth of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE

**REQUIREMENTS REGARDING THE WITHDRAWAL OF DEPOSIT MAINTAINED
WITH THE SECRETARY OF THE TREASURY OF PUERTO RICO**

Section 8.080 of the Insurance Code of Puerto Rico, 26 LPRA sec. 808, establishes the following:

- “(1) Any deposit made in Puerto Rico under this title shall be released and returned:
- (a) To the insurer upon extinguishment by reinsurance or otherwise of substantially all liability of the insurer for the security of which the deposit is held; or
 - (b) To the insurer to the extent such deposit is in excess of the amount required; or
 - (c) Upon proper order of a court of competent jurisdiction, to the receiver, conservator, rehabilitator, liquidator of the insurer, or to any other properly designated official or officials who succeed to the management and control of the insurer’s assets.
- (2) No such release shall be made except upon application to the Commissioner, and upon order of the Commissioner made upon proof satisfactory to him of the existence of one of such grounds therefor. The Commissioner shall have no personal liability for any such release of any such deposit or part thereof so made by him in good faith.”

Before we proceed to release the above mentioned deposit, the insurer has to comply with the following requirements:

1. Submit a certified copy of the resolution of its Board of Directors specifying its intention to withdraw said deposit and certifying that there are no obligations whatsoever arising from business effectuated in Puerto Rico.
2. If the existing business of the insurer and its liability have been extinguished by reinsurance or otherwise, submit a certified copy of the documents evidencing it (reinsurance agreement, assumption endorsement, etc).
3. If the company has policyholders in Puerto Rico and/or any obligations from business written in Puerto Rico, and the insurer is organized under the law of a state in the United States where a deposit maintained, then it has to extend said deposit for the protection of its policyholders maintained in said state of domicile so as to include its policyholders in Puerto Rico. This alternative is applicable only if said other state extends a similar privilege to insurers domiciled in Puerto Rico.
4. Publish a notice, once a week for two consecutive weeks, in two local newspaper of general circulation in Puerto Rico, one edited in Spanish and the other in English language, stating:
 - (a) The effective date of the cease of operations of the insurer in Puerto Rico;
 - (b) That the insurer has the intention of withdrawing the deposit maintained with the Secretary of the Treasury of Puerto Rico for the protection of all its policyholders;
 - (c) That copy of any of claim against the insurer must be submitted to the Office of the Commissioner of Insurance, P.O. Box 8330, Fernández Juncos Station, Santurce, Puerto Rico 00910-8330, on or before 30 days after the last publication.

The texts of the notice must be submitted for previous approval, and thereafter submit evidence of publication.