

Line(s) of
Insurance: **Commercial Output Program**

**PUERTO RICO
CERTIFIED TERRORISM ENDORSEMENTS
AND RATING INFORMATION AVAILABLE**

Reference Bulletins 02-0550, 03-0089

AAIS has filed certified terrorism endorsements and rating information in Puerto Rico for the Commercial Output Program (COP), and they are available for use effective January 1, 2004.

BACKGROUND

Bulletin 02-0550 gave information regarding what was needed for compliance with the Terrorism Risk Insurance Act of 2002, and it also distributed the Terrorism disclosure notices and endorsements. Bulletin 03-0089 provided information regarding the separate line item terrorism disclosure requirement for policies.

ENDORSEMENTS

CL 0600 12 02, Certified Terrorism Loss - covers certified terrorism loss and is used when the insured accepts the offer of coverage for certified terrorism loss.

CL 0605 02 03, Certified Terrorism Loss Disclosure of Premium And Federal Share of Insured Losses - provides a means for displaying the portion of the premium attributable to certified terrorism loss coverage.

CL 0610 12 02, Certified Act of Terrorism Exclusion - used if the insured rejects coverage for certified acts of terrorism.

Notice

CL 1045 12 02, Policyholder Disclosure Notice of Terrorism Insurance Coverage: filed for "informational purposes" only.

RATING INFORMATION

Terrorism Losses - Rating Information, Rev. 1.0 - the rating factor can be used to develop an additional premium charge for the portion of the certified terrorism loss that is being retained by the company.

EFFECTIVE DATE AND FILING NUMBERS

The endorsements and rating information described in this bulletin have been placed on file in Puerto Rico effective January 1, 2004. Refer to the following filing number in all correspondence directed to the insurance department:

AAIS-2003-16C.

COMPANY ACTION

Endorsements

Companies that have granted AAIS filing authority for forms and endorsements can adopt the endorsements without notifying the insurance department. Companies that choose not to adopt a filing must notify the insurance department as soon as possible.

Rating Information

Companies that have granted AAIS filing authority for rating information can adopt this rating information without notifying the insurance department if they intend to use it without change.

However, companies that choose to depart from the AAIS filed rating information, including a decision not to adopt the rating information, must notify the insurance department in writing as soon as possible.

ATTACHMENTS

-- Supplement to COP Manual, Puerto Rico, Terrorism Losses, Rating Information Page, Rev. 1.0

Direct Questions to:

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