OFFICE OF THE
COMMISSIONER OF INSURANCE
GOVERNMENT OF PUERTO RICO



Puerto Rico's International Insurance Center

Growth, Regulatory Modernization, and the Road Ahead

2025 Results and 2026 Regulatory Developments

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Commissioner of Insurance of Puerto Rico
Puerto Rico Financial Forum
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2026: A Transformative Year for Puerto Rico's Insurance Industry

Strengthening Regulatory Credibility. Advancing Innovation. Expanding Opportunities.

- **NAIC Accreditation Restored**: In January 2026, Puerto Rico successfully regained its NAIC accreditation, reaffirming its commitment to financial solvency, effective supervision, and regulatory excellence.
- **Strengthening Regulatory Oversight**: Continued implementation of reforms to enhance financial supervision, corporate governance and oversight of complex insurance and reinsurance transactions.
- **A New Era for the International Insurance Center**: Implementation of Act 130-2025, establishing a framework for Multistate International Insurers and authorization of the first Class 3M reinsurer.
- **Leadership in Responsible Innovation**: Puerto Rico became the 27th U.S. jurisdiction to adopt the NAIC AI Model Bulletin, reinforcing responsible innovation, accountability, and consumer protection.
- **Greater Regulatory Cooperation**: Expanded coordination with the NAIC and insurance regulators across U.S. jurisdictions to address increasingly complex, multijurisdictional insurance operations.

Our Vision: To position Puerto Rico as a competitive and internationally respected insurance and reinsurance jurisdiction, supported by a strong, modern, and credible regulatory framework.

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The PR International Insurance Center: Growth and Evolution

- Established in 2004 by Act 399-2004, as amended, the International Insurance Center was created to promote Puerto Rico as a hub for international insurance and reinsurance operations.
- Since its establishment, the industry has evolved significantly, with increasingly sophisticated corporate, financial, and reinsurance structures.
- This evolution has brought new opportunities but greater regulatory complexity, requiring more specialized financial analysis and supervisory oversight.
- The OCI continues adapting its regulatory framework to meet the needs of this evolving international market.

NAIC Accreditation: Strengthening Puerto Rico's Regulatory Framework

A Continued Commitment to Regulatory Excellence

- NAIC accreditation reinforces Puerto Rico's **regulatory credibility** and promotes **uniform financial solvency standards**, effective supervision, and policyholder protection.
- The OCI has implemented regulatory reforms **strengthening financial analysis**, risk-focused examinations, corporate governance, and **oversight of international insurers**.
- Our focus has evolved from implementing corrective measures to ensuring their sustained effectiveness through **ongoing supervision and institutional accountability**.
- The OCI continues modernizing its regulatory framework, **enhancing supervisory capabilities**, and **strengthening cooperation** with insurance regulators across U.S. jurisdictions.
- These ongoing efforts support a stable, transparent, and competitive insurance market, while **reinforcing confidence in Puerto Rico** as a jurisdiction for insurance and reinsurance operations

Our commitment extends beyond maintaining NAIC accreditation. We are building a **stronger**, **more effective**, **and forward-looking regulator** capable of responding to the evolving complexities of the insurance industry.

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The Insurance Industry’s Impact on Puerto Rico's Economy

- Puerto Rico’s insurance industry recorded written premiums exceeding **$24 billion** during 2025, an amount equivalent to **18.6%** of Puerto Rico's Gross Domestic Product.

- The volume of premiums written by insurers in the market also shows sustained growth, increasing by **9.1%** in 2025 compared with 7% in 2024, reaffirming its role as a driver of financial stability and economic development.

- At year-end 2025, Puerto Rico's insurance industry comprised **386 regulated entities**, including insurers, reinsurers, and health services organizations, reflecting the size and importance of the industry.

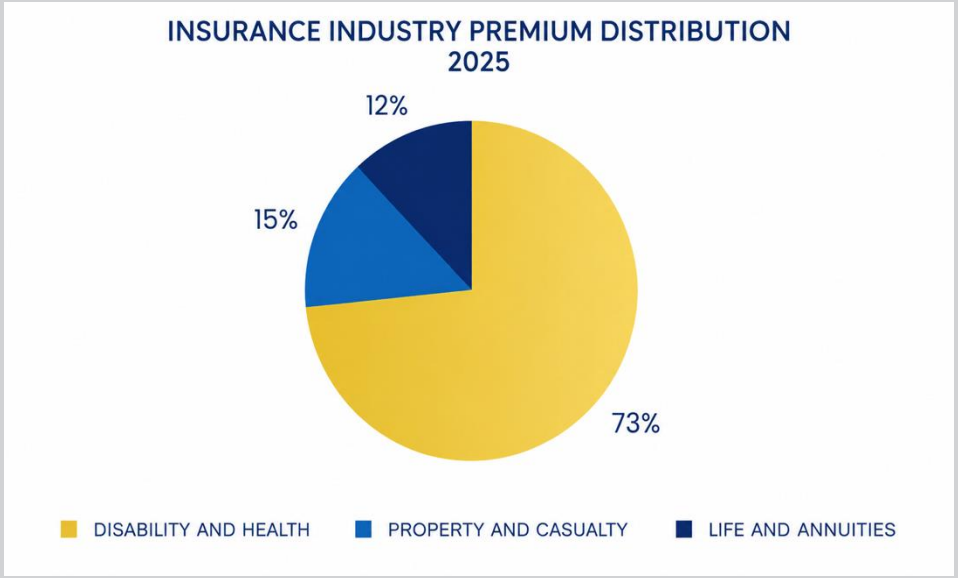
- The sector contributed directly to specialized employment: **16,457 jobs**, an increase of 24.9% compared with 2024.

Source: OCI 2025 Annual Report, pages 7–9.



The Insurance Industry's Impact on Puerto Rico's Economy (cont.)

Written Premiums by Line of Business – 2025



The Disability and Health line of business represents the largest share of written premiums in Puerto Rico's insurance industry.

Source: OCI 2025 Annual Report, pages 9 and 10.



The PR International Insurance Center: 2025–2026 Overview

37	35	9
Authorized International Insurers and Reinsurers	**Currently Authorized International Insurers and Reinsurers**	**Applications Under Regulatory Review**
December 31, 2025	October 2025	October 2025

- ✓ During 2025, **five (5) new international insurers and reinsurers were authorized**.
- ✓ The OCI continues evaluating new applications while maintaining the financial and regulatory standards required under Puerto Rico's Insurance Code.

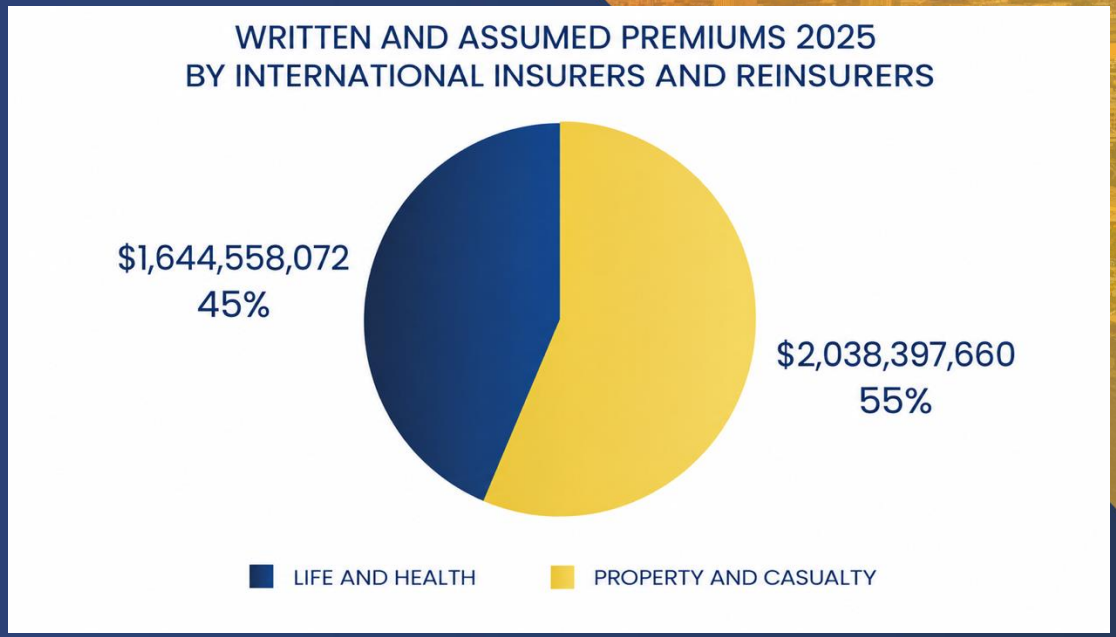
PR International Insurance Center: Financial Growth in 2025

$3.684 Billion
Written and Assumed Premiums – 2025

87% Growth
Compared with $1.970 billion in 2024

$17.853 Billion
Total Assets – 2025

$14.453 Billion
Total Assets - 2024 (Revised)



The growth in premiums and assets reflects the increasing scale of international insurance and reinsurance operations conducted from Puerto Rico.

Source: OCI 2025 Annual Report, page 36.

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The PR International Insurance Center: Business Composition and Segregated Assets



2025 International Business Composition

- Property and Casualty: 55%
- Life and Health: 45%

Segregated Asset Plans

- 19 International Insurers have authority to establish Segregated Asset Plans (SAPs).
- 351 Segregated Asset Plans reported at year-end 2025.
- A 9% increase in authorized Segregated Asset Plans compared with 2024.

These results illustrate the range of insurance and reinsurance activities conducted through the International Insurance Center.

Source: OCI 2025 Annual Report, pages 36–37

Act 130-2025: A New Framework for Multistate International Insurers



- Act 130-2025 amended Chapter 61 of the Puerto Rico Insurance Code, establishing Subclasses 3M, 4M, and 5M to facilitate access to the U.S. insurance and reinsurance markets, subject to compliance with applicable laws and regulatory requirements of each state.
- Multistate International Insurers must comply with financial solvency and supervisory standards equivalent to those applicable to traditional domestic insurers, consistent with NAIC standards.
- The insurers retain the same tax treatment available under their corresponding Class 3, 4, or 5 authority.
- These requirements strengthen financial solvency standards, corporate governance, regulatory reporting, and financial supervision.

This reform represents an important step in aligning Puerto Rico's international insurers regulatory framework with applicable NAIC financial standards.

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A New Milestone:
Puerto Rico's Class 3M International Reinsurer



- The OCI authorized its first Class 3M Multistate International Insurer under Act 130-2025.
- A second application for Class 3M authorization is currently under review.
- This authorization is an important milestone for Puerto Rico's new multistate international insurance framework aligned with the NAIC Accreditation Standards.

Modernizing Regulatory Services for International Insurers



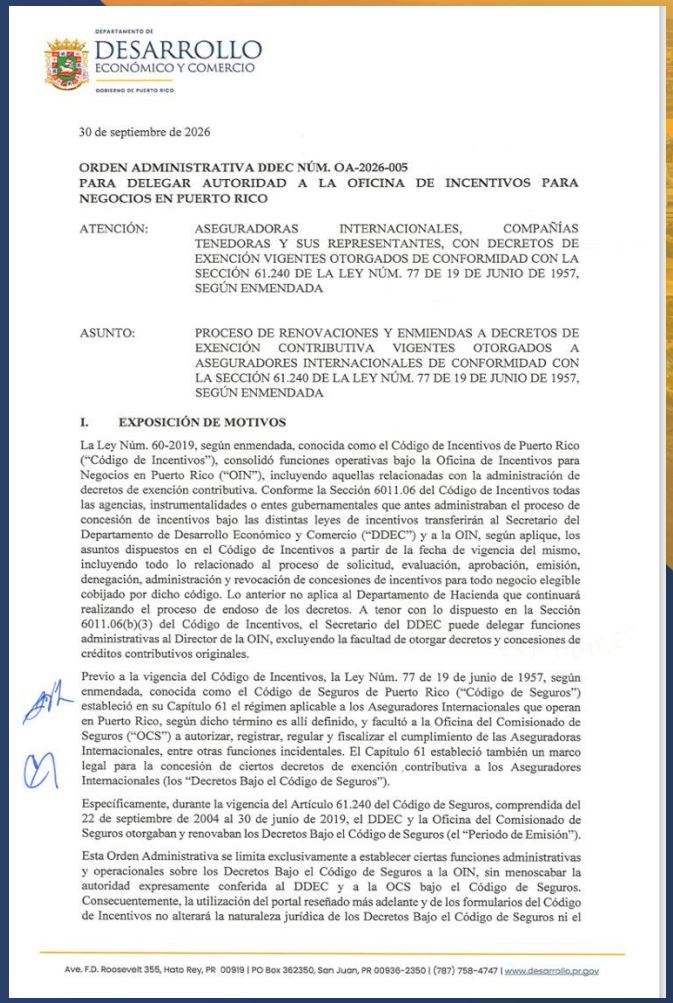
Electronic Document Submission

- The OCI has implemented electronic submission of documents for international insurers.
- This initiative facilitates regulatory filings and communications with the Office.
- The modernization of administrative processes is intended to improve efficiency and accessibility for regulated entities.
- The OCI will accept electronic submissions through its designated email addresses. Where original signatures or documents are required, the OCS may require the subsequent submission of original documents by mail or courier.

Modernizing Regulatory Services for International Insurers (cont.)

Improved Coordination with DDEC

- In September 2026, the OCI and the Department of Economic Development and Commerce (DDEC) signed Joint Administrative Order No. OA-2026-005.
- The Order establishes coordinated procedures for the renewal and amendment of existing tax exemption decrees issued to International Insurers.
- The new procedures establish clear responsibilities for each agency and streamline the review of renewal and amendment requests through the DDEC Incentives Portal.
- These initiatives are part of the OCI's commitment to modernizing regulatory services while maintaining compliance with applicable law.



DEPARTAMENTO DE DESARROLLO ECONÓMICO Y COMERCIO
GOBIERNO DE PUERTO RICO

30 de septiembre de 2026

ORDEN ADMINISTRATIVA DDEC NÚM. OA-2026-005
PARA DELEGAR AUTORIDAD A LA OFICINA DE INCENTIVOS PARA NEGOCIOS EN PUERTO RICO

ATENCIÓN: ASEGURADORAS INTERNACIONALES, COMPAÑÍAS TENEDORAS Y SUS REPRESENTANTES, CON DECRETOS DE EXENCIÓN VIGENTES OTORGADOS DE CONFORMIDAD CON LA SECCIÓN 61.240 DE LA LEY NÚM. 77 DE 19 DE JUNIO DE 1957, SEGÚN ENMENDADA

ASUNTO: PROCESO DE RENOVACIONES Y ENMIENDAS A DECRETOS DE EXENCIÓN CONTRIBUTIVA VIGENTES OTORGADOS A ASEGURADORES INTERNACIONALES DE CONFORMIDAD CON LA SECCIÓN 61.240 DE LA LEY NÚM. 77 DE 19 DE JUNIO DE 1957, SEGÚN ENMENDADA

I. EXPOSICIÓN DE MOTIVOS

La Ley Núm. 60-2019, según enmendada, conocida como el Código de Incentivos de Puerto Rico ("Código de Incentivos"), consolidó funciones operativas bajo la Oficina de Incentivos para Negocios en Puerto Rico ("OIN"), incluyendo aquellas relacionadas con la administración de decretos de exención contributiva. Conforme la Sección 6011.06 del Código de Incentivos todas las agencias, instrumentalidades o entes gubernamentales que antes administraban el proceso de concesión de incentivos bajo las distintas leyes de incentivos transferirán al Secretario del Departamento de Desarrollo Económico y Comercio ("DDEC") y a la OIN, según aplique, los asuntos dispuestos en el Código de Incentivos a partir de la fecha de vigencia del mismo, incluyendo todo lo relacionado al proceso de solicitud, evaluación, aprobación, emisión, denegación, administración y revocación de concesiones de incentivos para todo negocio elegible cobijado por dicho código. Lo anterior no aplica al Departamento de Hacienda que continuará realizando el proceso de endoso de los decretos. A tenor con lo dispuesto en la Sección 6011.06(b)(3) del Código de Incentivos, el Secretario del DDEC puede delegar funciones administrativas al Director de la OIN, excluyendo la facultad de otorgar decretos y concesiones de créditos contributivos originales.

Previo a la vigencia del Código de Incentivos, la Ley Núm. 77 de 19 de junio de 1957, según enmendada, conocida como el Código de Seguros de Puerto Rico ("Código de Seguros") estableció en su Capítulo 61 el régimen aplicable a los Aseguradores Internacionales que operan en Puerto Rico, según dicho término es allí definido, y facultó a la Oficina del Comisionado de Seguros ("OCS") a autorizar, registrar, regular y fiscalizar el cumplimiento de las Aseguradoras Internacionales, entre otras funciones incidentales. El Capítulo 61 estableció también un marco legal para la concesión de ciertos decretos de exención contributiva a los Aseguradores Internacionales (los "Decretos Bajo el Código de Seguros").

Específicamente, durante la vigencia del Artículo 61.240 del Código de Seguros, comprendida del 22 de septiembre de 2004 al 30 de junio de 2019, el DDEC y la Oficina del Comisionado de Seguros otorgaban y renovaban los Decretos Bajo el Código de Seguros (el "Periodo de Emisión").

Esta Orden Administrativa se limita exclusivamente a establecer ciertas funciones administrativas y operacionales sobre los Decretos Bajo el Código de Seguros a la OIN, sin menoscabar la autoridad expresamente conferida al DDEC y a la OCS bajo el Código de Seguros. Consecuentemente, la utilización del portal reseñado más adelante y de los formularios del Código de Incentivos no alterará la naturaleza jurídica de los Decretos Bajo el Código de Seguros ni el

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Puerto Rico Adopts the NAIC AI Model Bulletin



Puerto Rico Adopts the NAIC AI Model Bulletin

- A Milestone in Responsible Innovation and Consumer Protection
- In September 2026, Puerto Rico became the 27th U.S. jurisdiction to adopt the NAIC Model Bulletin on the Use of Artificial Intelligence Systems by Insurers (**Normative Letter CN-2026-282-D**)
- The Bulletin establishes regulatory expectations for the responsible use of artificial intelligence in insurance operations and decision-making.
- It emphasizes effective governance, risk management, transparency, accountability, and consumer protection.
- This initiative reflects the OCI's commitment to embracing technological innovation while ensuring fair treatment of policyholders and compliance with applicable laws.

Puerto Rico continues advancing a modern regulatory framework that promotes innovation, consumer confidence, and responsible use of emerging technologies.

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Outlook: 2026 -2027

Regulatory Oversight and Market Stability

The Office of the Commissioner of Insurance continues exercising its oversight and enforcement authority to promote the financial solvency of regulated entities and compliance with their legal obligations.

- **Financial Supervision:** The OCI reviews financial reports, reserves, and reinsurance programs to monitor insurers' financial condition and solvency. At present, all insurers and health services organizations under the supervision of the OCI remain solvent, a result to which continuous regulatory supervision has contributed.

- **Market Conduct Oversight:** The OCI is conducting examinations and investigations to verify compliance with applicable laws and regulations.

- **Corrective Measures:** The OCI has taken regulatory measures and imposed sanctions in response to identified noncompliance, in accordance with the authority conferred by law.

Regulatory supervision contributes to strengthen industry stability and confidence in the Insurance Industry.



Looking Ahead: A Stronger PR International Insurance Center

- Continue strengthening Puerto Rico's regulatory framework to address the evolving complexity of international insurance and reinsurance operations.
- Maintain financial effective solvency standards and oversight.
- Promote greater efficiency and accessibility in regulatory processes.
- Strengthen interstate cooperation with other insurance regulators.

The OCI remains committed to supporting the responsible growth of Puerto Rico's International Insurance Center within a sound and reliable regulatory framework.

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