



GOVERNMENT OF PUERTO RICO

Office of the Commissioner of Financial Institutions

CIRCULAR LETTER NUMBER CIF CC-2020-004

TO: ALL FINANCIAL INSTITUTIONS THAT ARE CREDITORS AND GRANT
PAYMENT MORATORIA VOLUNTARILY OR UNDER CERTAIN
PROVISIONS OF LAW

FROM: Alejandro Blanco, Deputy Commissioner
/Electronic signature protected/

DATE: April 28, 2020

RE: REPORT REQUIRED FOR MORATORIA GRANTED DUE TO 2020
LOCKDOWN.

I. Authority

This Circular Letter is issued pursuant to the provisions of:

- (i) Act No. 4 of October 11, 1985, as amended, known as the "Financial Institutions Commissioner's Office Act¹ (hereinafter, "Act No. 4");
- (ii) Act Number 55 of May 12, 1933, as amended, known as the "Puerto Rico Banks Act" (hereinafter "Act No. 55");
- (iii) Act Number 247 of year 2010, as amended, known as the "Act to Regulate the Business of Mortgage Loans of Puerto Rico" (hereinafter "Act No. 247");
- (v) Joint Resolution 26-2020 of April 13, 2020 "To order all financial creditor, including banking or financial institutions authorized to do business in Puerto Rico, to establish a voluntary moratorium, at the client or debtor's option ..." (hereinafter, "JR 26-2020");
- (vi) other laws providing for the granting of loans of several nature the implementation and administration of which have been entrusted to the Commissioner of Financial Institutions (the "Other Laws").

II. Legal Base and Purpose

Act No. 4, supra, charges the Office of the Commissioner of Financial Institutions (the "Office" or "OCFI") with the main responsibility of controlling and supervising the financial institutions that operate or do business in Puerto Rico. In addition,

¹ 7LPRA & 2001 et seq.



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Act No. 55 and Act No. 247 empower the Commissioner to oversee and regulate the operations of all banks and mortgage institutions in Puerto Rico. Other Laws, similarly grant the OCFI jurisdiction to supervise other types of lenders, with the exception of credit and savings unions ("cooperativas de ahorro y crédito"). JR 26-2020 entrusts the OCIF with the responsibility of implementing the moratoria therein provided to debtors of many types of loans.

In accordance with the above mentioned statutes the OCFI may require information on any of the activities in Puerto Rico under such acts. Therefore, the OCFI is hereby requiring all financial and servicing loans institutions doing business in Puerto Rico to provide the information requested in the attached document. Please be advised that the only reportable moratoria are those directly related to the lockdown called for in March 2020 and any and all extensions to such lockdown, as provided in the Executive Order issued by the Honorable Governor of Puerto Rico in Executive Order 2020-023. Subsequently, the Honorable Governor issued OE-2020-029 in which the extension of the closure of non-essential government operations was provided, up to April 12, 2020. On April 11, 2020 the Honorable Governor extended the government closure until May 3, 2020.

All other cases must be reported in the Loss Mitigation Report, as always. In order to avoid duplicity, please do not include the items reported in this report in the Loss Mitigation Report.

IV. Filings of required reports

All institutions must file a monthly report for the months ended on March 31, 2020, April 30, 2020, May 31, 2020, June 30, 2020, July 31, 2020, August 31, 2020, September 30, 2020, October 31, 2020, November 30, 2020, December 31, 2020, January 31, 2021, and February 28, 2021. The monthly report herein required must be submitted to the OCFI Financial Analysis Unit within the first ten (10) days of the next month. The reports for the month of March, 2020, must be filed by May 10, 2020.

The report must be submitted electronically in excel format or excel format compatible to the following email address: analisisfinanciero@ocif.pr.gov. This report must be filed, even if there are no Moratoria granted. In this case, a report indicating "Nothing to report" must be filed.





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The report layout to be submitted for filing is made part of this Circular Letter and is available for your own use in the OCIF web page. **Please, do not make changes to the structure of this report.**

V. Penalties

Those concessionaries that file the report after the dates indicated above, may be subject to an administrative fine that the OCIF may impose of up to a maximum of \$5,000. Not filing the report could result in the cancellation of the license, pursuant to the provisions of Act No. 38-2017, dated June 30, 2017, known as the "Uniform Administrative Procedure Act of the Government of Puerto Rico" and under the provisions of Act No. 4 of October 11, 1985, as amended, known as "Office of the Commissioner of Financial Institutions Act", after the holding of administrative hearings.

V. Effectiveness

This circular letter will become effective on the date of its issuance.