The Virgin Islands Consortium

Remaining Real Legacy Insurance Claims Will Not Be Abandoned, Potter Reassures

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Lieutenant Governor Osbert Potter sought to reassure residents worried about the status of their insurance claims with Real Legacy Assurance, an insurance firm based in Puerto Rico that has been taken over by the Puerto Rico government on concerns the company was struggling with liquidity issues. Real Legacy was placed under rehabilitation following a petition by Puerto Rico's commissioner of Insurance in the Court of First Instance, Superior Court of San Juan.

Mr. Potter along with Director of Banking and Insurance Gwendolyn Brady, above left, outlined the impact this action has on Virgin Islands insurance policyholders.

“The Puerto Rico commissioner of Insurance has taken over the operations of the company to protect the interests of policyholders with claims, creditors of the insurer, and the general public," Mr. Potter said, reassuring the 100 or so Virgin Islanders whose claims have yet to be satisfied by Real Legacy, that their claims were not in jeopardy.

Mr. Potter said while the Office of Banking and Insurance has been closely monitoring developments, he was certain that the remaining Virgin Islands claims would not be affected.

“We are closely monitoring the situation. The Puerto Rico Insurance Code requires that the rehabilitation of an insurer provides fair and equitable treatment in the payment of all claims, subject to a review by the Puerto Rico court in three months to determine if further action is required. Therefore, U.S. Virgin Islanders’ Real Legacy claims will be treated with the same level of priority as those of Puerto Rico residents," Mr. Potter said, encouraging residents with outstanding Real Legacy claims to visit the USVI Division of Banking and Insurance.

Additionally, Mr. Potter said the territory's insurance fund, which currently has $10 million, would not be affected by the Real Legacy problems. Nonetheless, he urged the Legislature to restore the fund's balance to $50 million so that residents would be protected if an insurance firm becomes insolvent.

Ms. Brady said that as of October 2 of this year, 98 percent of Hurricane Irma and 93 percent of Hurricane Maria claims have been settled by Real Legacy. The company is renewing policies and writing new business," she said.

Virgin Islanders could call Real Legacy directly at 1-800-433-0881, 787-405-0584 or 787-405-0657. You may also contact the Division of Banking, Insurance and Financial Regulation on St. Thomas in Nisky Center, 2nd Floor at 340-774-7166, or on St. Croix at 1131 King Street, 3rd Floor at 340-773-6459, or visit the Division’s website at ltg.gov.vi.

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