

FILED

MAY 28 2024

INSURANCE REGULATION
Docketed by:



OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 321106-24

LIBERTY MUTUAL PERSONAL INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration as the result of a market conduct investigation of LIBERTY MUTUAL PERSONAL INSURANCE COMPANY ("LIBERTY MUTUAL") conducted by the FLORIDA OFFICE OF INSURANCE REGULATION ("OIR"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, OIR hereby finds as follows:

1. OIR has jurisdiction over LIBERTY MUTUAL and the subject matter of this proceeding.
2. LIBERTY MUTUAL is a New Hampshire domiciled property and casualty insurer that became authorized to transact insurance business in Florida on December 18, 2018. A Certificate of Authority was issued by OIR, in accordance with Chapter 624, Part III, Florida Statutes. LIBERTY MUTUAL is authorized to write homeowners multi-peril and private passenger auto liability and physical damage insurance in Florida.
3. OIR conducted a market conduct investigation of LIBERTY MUTUAL pursuant to sections 624.307 and 624.318, Florida Statutes, regarding LIBERTY MUTUAL's implementation of a use and file rate filing for private passenger automobile insurance that

became effective on December 16, 2021, for new business and on January 20, 2022, for renewal business.

4. The results of the investigation determined that, once the filing was approved by OIR on March 1, 2023, certain discounts were amended causing approximately 46,053 policyholders to be overcharged premium and approximately 6,688 policyholders to be undercharged premium.

5. For policyholders who were overcharged, LIBERTY MUTUAL shall issue refunds totaling approximately \$4,700,000.00, in accordance with section 627.062(2)(a)2., and (2)(h), Florida Statutes, plus approximately \$560,000.00 in interest. LIBERTY MUTUAL shall issue billing statement credits to those policyholders with outstanding premium balances on their policies, and refunds to those policyholders without an outstanding premium balance in the form of the original premium payment.

6. LIBERTY MUTUAL shall not recover the approximately \$1,300,00.00 in undercharged premium from affected policyholders.

7. LIBERTY MUTUAL's billing system does not allow for refunds to be issued all at one time. Each refund requires manual calculations. As of October 15, 2023, the first set of policyholder refunds were issued. LIBERTY MUTUAL shall issue all remaining refunds plus interest to affected policyholders by June 15, 2024.

8. LIBERTY MUTUAL shall provide OIR with quarterly reports of all policies that have been issued refunds and interest payments until all policyholders have been refunded and all the interest has been paid. The first report shall be due to OIR within thirty days of the execution of this consent order.

9. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of OIR. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

10. LIBERTY MUTUAL agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in OIR suspending, revoking, or taking other administrative action as it deems appropriate upon LIBERTY MUTUAL'S license in this state in accordance with sections 120.569(2)(n) and 120.60(6), Florida Statutes.

11. LIBERTY MUTUAL agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may subject LIBERTY MUTUAL to such administrative action as the OFFICE deems appropriate as specifically authorized by law.

12. LIBERTY MUTUAL expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by OIR, and all other proceedings to which it may be entitled by law or rules of OIR. LIBERTY MUTUAL hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

13. Except as noted above, each party to this action shall bear its own costs.

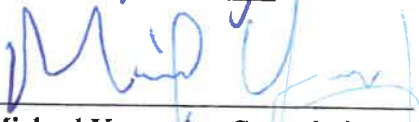
14. The parties agree that this Consent Order shall be deemed to be executed when the OIR has signed and docketed a copy of this Consent Order bearing the notarized signature of the authorized representative of LIBERTY MUTUAL.

WHEREFORE, the agreement between LIBERTY MUTUAL PERSONAL INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

All terms and conditions contained herein are hereby ORDERED.

DONE AND ORDERED this 28th day of May, 2024.




Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, LIBERTY MUTUAL PERSONAL INSURANCE COMPANY, consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind LIBERTY MUTUAL PERSONAL INSURANCE COMPANY, to the terms and conditions of this Consent Order.

LIBERTY MUTUAL PERSONAL INSURANCE COMPANY

By: [Signature]

[Corporate Seal]

Print Name: Trina Goethals

Title: by & as counsel

Date: May 15, 2024

STATE OF Ohio
COUNTY OF Franklin

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 15 day of May 2024, by Trina Goethals

as counsel for Liberty Mutual
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



JEREMIAH E. HECK
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration
Section 147.03 R.C.

[Signature]
(Signature of the Notary)

Jeremiah Heck
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires Never

COPIES FURNISHED TO:

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