

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 18, 2017

COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2017-00185

LIBERTY INSURANCE CORPORATION,  
LIBERTY MUTUAL FIRE INSURANCE COMPANY  
and  
THE FIRST LIBERTY INSURANCE CORPORATION,  
Defendants

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SETTLEMENT ORDER

Based on a market conduct inquiry performed by the Bureau of Insurance ("Bureau"), it is alleged that Liberty Insurance Corporation, Liberty Mutual Fire Insurance Company, and The First Liberty Insurance Corporation (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1906 D of the Code of Virginia ("Code") by making or issuing insurance contracts or policies not in accordance with the rate and supplementary rate information filings in effect for the Defendants.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendants have been advised of their right to a hearing in this matter whereupon the Defendants, without admitting any violation of Virginia law, have made an offer of settlement to the Commission wherein the Defendants have each tendered to Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500) for an amount totaling Seven Thousand Five Hundred

Dollars (\$7,500), waived their right to a hearing, agreed to comply with the corrective action plan set forth in their letter to the Bureau dated May 18, 2017, and confirmed that restitution was made to 12 consumers in the amount of One Thousand One Hundred Fifty-two Dollars (\$1,152).

The Bureau has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Bureau, is of the opinion that the Defendants' offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein is hereby accepted.

(2) This case is dismissed, and the papers herein shall be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lorraine M. Alves, Project Leader, CL Underwriting Compliance, Liberty Mutual Group, 175 Berkeley Street, Mailstop T07C, Boston, Massachusetts 02117; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Rebecca Nichols.