

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Insurance Division
1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

IN THE MATTER OF:

LIBERTY MUTUAL INSURANCE GROUP

RESPONDENT.

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CONSENT AGREEMENT

It is hereby agreed between the Department of Business Regulation (“Department”) and Liberty Mutual Insurance Group (“Respondent”) as follows:

1. Respondent is an insurer licensed in the State of Rhode Island to issue property & casualty insurance policies including automobile insurance policies.
2. RI Gen Law 27-9.1-4(25) and Insurance Regulation 73 Section 8 are applicable to all total loss claims arising out of an automobile insurance policy issued in Rhode Island. In order to implement these provisions the Department issued Insurance Bulletin 2014-2
3. In February 2015 the Department contacted Respondent outlining compliance concerns that arose out of two consumer complaints noted as follows:
 - a. Respondent made total loss settlement offers based on market driven valuations in at least two situations and out of two separate claim handling offices, and
 - b. Respondent did not send a storage termination letter in at least one situation.
4. As a result of these two (2) complaint investigations, the Department requested further information from Respondent. Specifically, the number of Rhode Island total loss claims that were not settled in compliance with RI General Law 27-9.1-4(25) and Insurance Regulation 73 and

a list of all Rhode Island claims that were not issued a storage termination letter in compliance with Insurance Regulation 73, Section 8(E)(7).

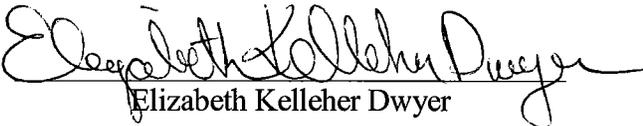
5. Respondent conducted a prompt and thorough investigation of five hundred forty one (541) applicable claim files.

THEREFORE, based on the foregoing, Respondent and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following resolution:

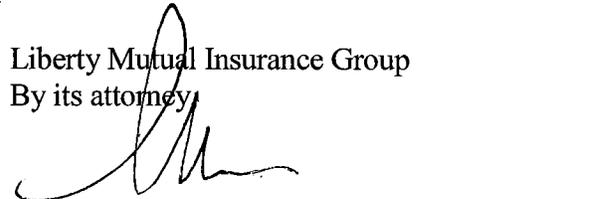
1. One hundred thirty (130) refunds totaling \$90,869 were owed (and paid) because NADA values had not been considered.
2. Two hundred thirty seven (237) title fees totaling \$14,216 were owed (and paid).
3. Eighteen (18) files were identified that did not have a stop storage letter when required.
6. Respondent has taken every step possible to comply with Insurance Regulation 73 Section 8, Insurance Bulletin 2014-2, and RI Gen Law 27-9.1-4(25).
4. Respondent will pay a fine of \$10,000.

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients the 7th day of ~~September~~ ^{OCTOBER} 2015.

Department of Business Regulation
By its Legal Counsel,


Elizabeth Kelleher Dwyer

Liberty Mutual Insurance Group
By its attorney


SEBETYEN MARTENS
REGULATORY COUNSEL, GLOBAL
COMPLIANCE & ETHICS