

**BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA**

FILED

FEB 11 2009

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
KIM HOLLAND, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
LIBERTY MUTUAL FIRE INSURANCE)
COMPANY, a licensed insurance company)
in the State of Oklahoma.)
)
Respondent.)

Case No. 09-0128-DIS

**CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD**

COMES NOW the State of Oklahoma, ex rel. Kim Holland, by and through her attorney, Julie Delluomo, and alleges and states as follows:

JURISDICTION

1. Kim Holland is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including 36 O.S. § 1250.4.

2. Liberty Mutual Fire Insurance Company (“Respondent”) is a foreign insurer, licensed in the State of Oklahoma, holding certificate of authority number 23035.

3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to 36 O.S. § 619.

4. If Respondent requests a hearing in writing in this matter, pursuant to Oklahoma Administrative Code 365-1-7-1, the Insurance Commissioner, pursuant to 36 O.S. § 319, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

5. The Insurance Commissioner, pursuant to Oklahoma Administrative Code 365:1-7-5, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

ALLEGATIONS OF FACT

1. Respondent is a foreign insurer, licensed in the State of Oklahoma holding certificate of authority number 23035.

2. On November 16, 2007 Rick L. Brogden (Brogden) purchased homeowners insurance from Respondent through agent Andrew Parker.

3. On October 27, 2008, Brogden notified Respondent that his home was burglarized. Brogden was informed that his claim was denied because his policy lapsed on October 23, 2008.

4. Brogden's attorney filed a complaint with the Oklahoma Insurance Department (the Department) on October 28, 2008. The Consumer's Assistance Division of the Department sent a letter dated October 31, 2008 to Respondent requesting a written explanation regarding the Respondent's position.

5. The Department received a phone call on December 19, 2008 from Nada Rocklidge with Liberty Mutual acknowledging the Respondent's late response and timely receipt of the consumer complaint. The Department received an e-mail on December 22, 2008 from John Vidal with Liberty Mutual with additional information.

6. *Every agent, adjuster, administrator, insurance company representative, or insurer, upon receipt of inquiry from the Commissioner concerning a claim or a problem involving premium monies, shall, within twenty (20) days after receipt of such inquiry, furnish the Commissioner with an adequate response to the inquiry.* 36 O.S. § 1250.4(C).

ALLEGED VIOLATIONS OF LAW

Respondent violated 36 O.S. § 1250.4(B) by failing to adequately respond to the Department's inquiry within twenty (20) days after receipt.

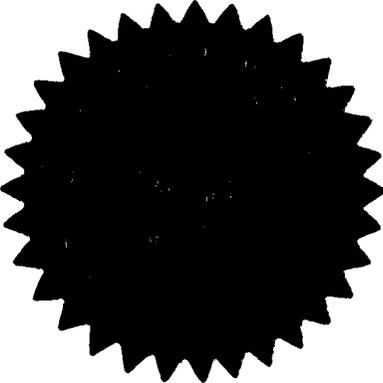
ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1250.4(B) and is hereby fined in the amount of **FIVE HUNDRED AND NO/100 DOLLARS. Fine to be paid immediately and remitted to the Oklahoma Insurance Department; ATTN: Julie Delluomo, Legal Division, P.O. Box 53408, Oklahoma City, OK 73152-3408.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing of this Order. Such request for a hearing, if desired, shall be made in writing, addressed to Julie Delluomo, Oklahoma Insurance Department, Legal Division, P.O. Box 53408, Oklahoma City, Oklahoma 73152-3408 and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on any such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 through 7004, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 through 403. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 17th day of February, 2009.

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA



Julie Delluomo
Julie Delluomo, OBA# 14410
Oklahoma Insurance Department
Assistant General Counsel

CERTIFICATE OF MAILING

I, Julie Delluomo, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed via certified mail with postage prepaid and return receipt requested on this 11th day of February 2009, to:

Liberty Mutual Fire Insurance Company
175 Berkeley St.
Boston, Massachusetts 02117

CERTIFIED NO. 7006 760 0005 6605 1517

and that a copy was delivered to:

Chris Van Ess, Assistant Commissioner and Chief Financial Examiner

Brian Gabbert
Claims/Consumer Assistance Division


Julie Delluomo
Julie Delluomo
Assistant General Counsel