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3 Sacramento, California 95814

4 *Attorneys for the California Department of Insurance*

5
6 **BEFORE THE INSURANCE COMMISSIONER**
7 **OF THE STATE OF CALIFORNIA**

8
9 In the Matter of the Rate Application of
10 Liberty Insurance Corporation,
11 Applicant.

Filed No.: dPA-2023-00016

SETTLEMENT
STIPULATION

12 Liberty Insurance Corporation (“Applicant”), Consumer Watchdog (“Petitioner”), and the
13 California Department of Insurance (“Department”) (collectively, the “Parties”) stipulate as
14 follows:

15 **RECITALS**

- 16 A. The Applicant is licensed by the Department to conduct insurance business in
17 California. KH 10/2/24
10/1/24
JJS
- 18 B. On July 20, 2023, the Applicant filed for a rate increase to its ~~auto~~ ^{homeowners} line of
19 insurance (File No. 23-2333 [“Application”]) with an overall rate impact of 29.1%.
- 20 C. On August 4, 2023, pursuant to California Insurance Code (“CIC”) section
21 1861.05(c), the Department notified the public of the Application.
- 22 D. On September 18, 2023, Petitioner submitted a timely Petition for Hearing,
23 Petition to Intervene, and Notice of Intent to Seek Compensation regarding the Application.
- 24 E. On October 3, 2023, the Commissioner denied Petitioner’s petition with leave to
25 amend.
- 26 F. On October 16, 2023, Petitioner submitted an amended Petition for Hearing,
27 Petition to Intervene, and Notice of Intent to Seek Compensation regarding the Application.
- 28 G. On October 31, 2023, the Commissioner granted Petitioner’s petition.

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1 H. The Parties have engaged in discussions regarding the Application and additional
2 information and analysis that the Parties provided.

3 I. As a result of the Parties' discussions and negotiations, Applicant updated the
4 Application per the Parties' agreement.

5 **STIPULATION**

6 1. This Stipulation, together with the updated Application and the Commissioner's
7 approval in SERFF, represents the complete and final settlement resolving all issues between the
8 Parties regarding the Application.

9 2. Based upon the Application and additional information that the Parties provided,
10 the Parties agree that an overall rate increase of 16.5%, effective December 10, 2024, complies
11 with the applicable laws and regulations and results in rates that are not excessive, not inadequate,
12 and not unfairly discriminatory. Applicant has made appropriate updated filings in SERFF to
13 reflect the overall rate change.

14 3. Approval of the Application described in this Stipulation will only be effective
15 when approved by the Commissioner in SERFF in accordance with the overall rate indication set
16 forth in paragraph 2.

17 4. This Stipulation does not constitute an endorsement or approval of models
18 generally, or any specific model, eligibility or nonrenewal criteria, or rating methodology.

19 5. Consistent with 10 CCR sections 2656.1(b) and 2662.3(c), no agreement regarding
20 Petitioner's compensation has been made. However, the Parties agree that the Commissioner's
21 approval of the Application, consistent with this Stipulation, will be a decision or order within the
22 meaning of CIC section 1861.10(b). Petitioner agrees to submit any request for compensation to
23 the Public Advisor within 30 days after notice of the Commissioner's approval in SERFF.

24 6. Petitioner agrees to withdraw its Petition for Hearing effective as of the date of
25 execution of this Stipulation, provided the Application is approved by the Commissioner in
26 SERFF in accordance with the overall rate indication set forth in paragraph 2 within 10 days.
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1 7. This Stipulation is made solely to reach a compromise among the Parties. The
2 Commissioner's approval of the Application shall not constitute approval of or precedent
3 regarding any principle or issue in any other proceeding.

4 8. The Commissioner retains jurisdiction to ensure that the Parties comply with this
5 Stipulation.

6 9. Nothing in this Settlement Stipulation constitutes a limitation upon or a waiver of
7 the Commissioner's rights and powers to enforce any California law, examine the Applicant's
8 rating practices, or take such other action as necessary to protect the public.

9 10. This Stipulation may be executed in counterparts.

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Dated: October 1, 2024

LIBERTY INSURANCE CORPORATION

By Kimberly Haza

Dated: October 1, 2024

CONSUMER WATCHDOG

By Ryan Mellino

Dated: September 30, 2024

CALIFORNIA DEPARTMENT OF INSURANCE

By L L Smith
Lisbeth Landsman-Smith
*Attorney for the California Department
of Insurance*