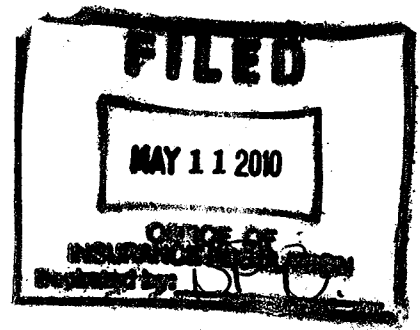




OFFICE OF INSURANCE REGULATION



KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 109146-10

LIBERTY MUTUAL INSURANCE COMPANIES;
LIBERTY MUTUAL INSURANCE COMPANY;
AMERICAN FIRE AND CASUALTY COMPANY;
BRIDGEFIELD CASUALTY INSURANCE COMPANY;
BRIDGEFIELD EMPLOYERS INSURANCE COMPANY;
EMPLOYERS INSURANCE COMPANY OF WAUSAU;
FIRST LIBERTY INSURANCE COMPANY;
INDIANA INSURANCE COMPANY;
LIBERTY INSURANCE CORPORATION;
LIBERTY MUTUAL FIRE INSURANCE COMPANY;
LM GENERAL INSURANCE COMPANY;
LM INSURANCE CORPORATION;
LM PERSONAL INSURANCE COMPANY;
LM PROPERTY AND CASUALTY INSURANCE COMPANY;
OHIO CASUALTY INSURANCE COMPANY;
OHIO SECURITY INSURANCE COMPANY;
PEERLESS INSURANCE COMPANY;
WAUSAU BUSINESS INSURANCE COMPANY;
WAUSAU UNDERWRITERS INSURANCE COMPANY;
WEST AMERICAN INSURANCE COMPANY
Workers' Compensation Excess Profits

FINAL ORDER

THIS CAUSE came before the undersigned Commissioner of the Office of Insurance Regulation for consideration of final agency action. On or about March 19, 2010, the Office of Insurance Regulation, (hereinafter referred to as the "OFFICE"), provided Notice to LIBERTY MUTUAL INSURANCE COMPANIES, consisting of LIBERTY MUTUAL INSURANCE

COMPANY, AMERICAN FIRE AND CASUALTY COMPANY, BRIDGEFIELD CASUALTY INSURANCE COMPANY, BRIDGEFIELD EMPLOYERS INSURANCE COMPANY, EMPLOYERS INSURANCE COMPANY OF WAUSAU, FIRST LIBERTY INSURANCE COMPANY, INDIANA INSURANCE COMPANY, LIBERTY INSURANCE CORPORATION, LIBERTY MUTUAL FIRE INSURANCE COMPANY, LM GENERAL INSURANCE COMPANY, LM INSURANCE CORPORATION, LM PERSONAL INSURANCE COMPANY, LM PROPERTY AND CASUALTY INSURANCE COMPANY, OHIO CASUALTY INSURANCE COMPANY, OHIO SECURITY INSURANCE COMPANY, PEERLESS INSURANCE COMPANY, WAUSAU BUSINESS INSURANCE COMPANY, WAUSAU UNDERWRITERS INSURANCE COMPANY, WEST AMERICAN INSURANCE COMPANY, (hereinafter referred to as "LIBERTY MUTUAL"), that pursuant to Section 627.215, Florida Statutes, LIBERTY MUTUAL data submitted to the OFFICE indicated that LIBERTY MUTUAL has realized excessive profits for the statutory period covering calendar/accident years 2005, 2006 and 2007, in the amount of One Million Seventy One Thousand Eight Hundred Forty One Dollars and No/100 (\$1,071,841.00). The OFFICE simultaneously notified LIBERTY MUTUAL of its right to request a hearing to challenge the OFFICE'S findings as indicated in the Notice, pursuant to Sections 120.569 and 120.57, Florida Statutes. LIBERTY MUTUAL received the OFFICE'S Notice on March 30, 2010. LIBERTY MUTUAL sent the OFFICE a letter which stated that it did not dispute the OFFICE'S findings.

Upon careful consideration of the record in this matter and being otherwise advised in the premises, it is ORDERED:

1. LIBERTY MUTUAL has realized, and therefore owes to applicable policyholders, excessive profits for calendar/accident years 2005, 2006 and 2007, in the amount of One Million Seventy One Thousand Eight Hundred Forty One Dollars and No/100 (\$1,071,841.00), pursuant to Section 627.215, Florida Statutes.

2. LIBERTY MUTUAL shall provide refunds or policy renewal credits to policyholders in the amount of One Million Seventy One Thousand Eight Hundred Forty One Dollars and No/100 (\$1,071,841.00) for calendar/accident years 2005, 2006 and 2007, as provided in Section 627.215, Florida Statutes, on or before the sixtieth (60th) day after which this Final Order is executed.

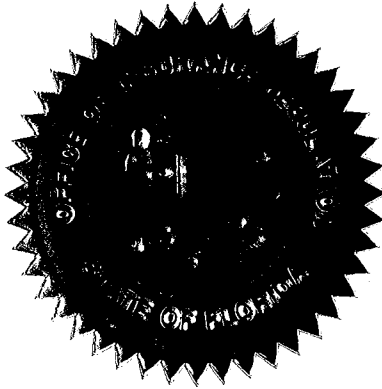
3. LIBERTY MUTUAL shall attempt to locate policyholders whose refund checks are returned and LIBERTY MUTUAL shall thereafter report and process any unclaimed excessive profits funds as unclaimed or abandoned property, pursuant to the provisions of Chapter 717, Florida Statutes.

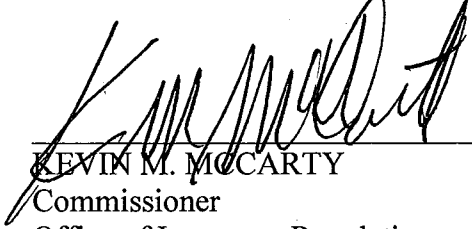
4. Pursuant to Section 627.215(12)(b), Florida Statutes, LIBERTY MUTUAL shall upon completion of the renewal credits or refund payments, immediately certify to the OFFICE that the refunds have been made. Additionally, LIBERTY MUTUAL shall also certify that it has attempted to locate policyholders whose refund checks are returned and that it has complied with the abandoned property provisions of Chapter 717, Florida Statutes, if necessary.

Any party to these proceedings adversely affected by this Order is entitled to seek review of this Order pursuant to Section 120.68, Florida Statutes, and Rule 9.110, Florida Rules of Appellate Procedure. Review proceedings must be instituted by filing a Notice of Appeal with the General Counsel, Office of Insurance Regulation, acting as the Agency Clerk, at 612 Larson

Building, Tallahassee, Florida 32399-4206, and a copy of the same and the filing fee with the appropriate District Court of Appeal within thirty (30) days of the rendition of this Order.

DONE and ORDERED this 11TH day of MAY, 2010.





KEVIN M. MCCARTY
Commissioner
Office of Insurance Regulation

COPIES FURNISHED TO:

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