

Jackie Lacey
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NEWS RELEASE

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SoCal DAs Settle Lawsuit Against Liberty Mutual Over Accident Forgiveness Program

Los Angeles County District Attorney Jackie Lacey announced today a \$925,000 settlement with auto insurance provider Liberty Mutual Group, Inc., for advertising an accident forgiveness program that was not available in California.

The civil complaint was jointly filed yesterday in Riverside County Superior Court by district attorneys in Los Angeles, Riverside and San Diego counties and alleges unfair competition by Liberty Mutual. The settlement was signed by Riverside County Superior Court Judge John Molloy.

Starting in 2014, the Boston-based company launched a nationwide television ad campaign touting its "accident forgiveness" program that protects drivers from having their insurance rates increase if they are responsible for an accident.

However, California consumer protection laws prohibit accident forgiveness programs from being offered in California. Liberty Mutual estimates the ad campaign reached 70 to 80 percent of the households in California.

"California consumers rightfully expect clear and accurate advertising about what is and is not contained in the automobile insurance policies offered to them," said District Attorney Lacey.

Prosecutors also said the ads had a disclaimer that was obscured, used small type and was on the screen for no more than three to four seconds. California law requires all advertising must be clearly disclosed.

Under the terms of the judgment, which will be entered without admission of liability, Liberty Mutual will be subject to an injunction requiring full compliance with state law with its accident forgiveness advertising, including the disclosure of the fact that such programs are not available in California.

The \$925,000 settlement will be split among the three counties.

The case was handled for the Los Angeles County District Attorney's Office by Ellen Aragon of the Consumer Protection Division.

[About the Los Angeles County District Attorney's Office](#)

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to protecting our community through the fair and ethical pursuit of justice and the safeguarding of crime victims' rights.