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INSURANCE LAW BULLETIN

Re: Class Action Settlement Bars Complaint Before Insurance Commissioner

An Administrative Law Judge (ALJ) recently held that a claim concerning vanishing premiums was barred by an injunction issued in settlement of a class action as well as by the class action court's retention of exclusive jurisdiction.

The insured filed a complaint with the Maryland Insurance Commissioner alleging that at the time of purchase of the policy and subsequently he was promised his universal life insurance policy would remain in force. The insurer argued the complaint was barred by a national class action settlement agreement and final court order. After the Commissioner initially found in favor of the insurer, a hearing was requested and the matter was referred to the Office of Administrative Hearings.

Dismissing the complaint, the ALJ found the policy owner was a member of the class, the issues raised were covered by the class action settlement, and the final order approving the class action settlement enjoined the filing of this complaint. The ALJ further found the class action court had retained exclusive jurisdiction to hear any such claims.

For further information or a copy of the decision, please contact **Bryan D. Bolton**, who represented the insurer in this matter, at 410.659.7754 or bdbolton@fblaw.com. Please visit our website at www.fblaw.com.

June 26, 2006
No. 2006-4