

## FOR IMMEDIATE RELEASE March 24, 2014

## **Consumer Alert: Louisiana Citizens Property Insurance Corporation Policyholders Receiving Application Refunds**

Insurance Commissioner Jim Donelon is making Louisiana Citizens Property Insurance Corporation (Citizens) policyholders aware of a refund that is being issued. The refunds are for application fees that were charged to policyholders without their knowledge and are being paid pursuant to a written order issued by Commissioner Donelon.

According to the commissioner's order, the declaration page of the policy did not disclose or specify the fee. The application fees are being paid by Citizens, along with attorney fees set by the 19th Judicial District Court. The \$40 checks have been issued to 233,868 policyholders and are accompanied by a letter from Rust Consulting, Inc. which is handling distribution of the funds.

"Citizens property insurance policyholders recently started receiving letters and checks in the mail for this application refund and many are calling us and Citizens to verify that the refund is legitimate. I want to assure policyholders that they are in fact legitimate and are being issued due to a court order," said Donelon. "These automatic refunds are not to be confused with the Citizens assessment rebate which all property policyholders – whether they are with Citizens or another insurer – are eligible for either as a tax credit or as a direct rebate through the Louisiana Department of Revenue."

To read the order issued by the 19th Judicial District Court, please click <u>here</u>. Policyholders with questions may contact Rust Consulting, Inc. at 1-866-680-6698.

**About the Louisiana Department of Insurance:** The Louisiana Department of Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect policyholders. You can contact the LDI by calling 1-800-259-5300 or visiting <u>www.ldi.la.qov</u>.