

No. 2022-7510

**Official Order  
of the  
Texas Commissioner of Insurance**

**Date:** 09/20/2022

**Subject Considered:**

Noblr Reciprocal Exchange  
1 Union Street, Ste. 210  
San Francisco, California 94111-1223

Consent Order  
TDI Enforcement File No. 27389

**General remarks and official action taken:**

This is a consent order with Noblr Reciprocal Exchange (Noblr). Noblr used an applicant's lack of prior insurance to determine personal automobile rates. Noblr has paid restitution to the affected policyholders and agrees to pay a \$22,500 administrative penalty.

**Waiver**

Noblr acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Noblr waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order. Pursuant to TEX. INS. CODE § 82.055(b), Noblr agrees to this consent order with the express reservation that they do not admit to a violation of the Texas Insurance Code or of a rule and that the existence of a violation is in dispute.

**Findings of Fact**

1. Noblr is a foreign reciprocal exchange holding a certificate of authority to transact business in Texas.

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2. Texas law, under 28 TEX. ADMIN. CODE § 5.401(b), prohibits insurers from using an applicant's lack of prior insurance in determining the appropriate rate for private passenger automobile liability insurance where the applicant has not been operating an uninsured motor vehicle in the state for more than 30 days during the 12 months immediately preceding the date of the application.
3. During the period between October 11, 2019, and April 15, 2021, Noblr's personal automobile rate filings considered a policyholder's prior insurance, including any lapse in insurance, in assigning underwriting levels for rating purposes. This affected the final premium a policyholder paid.
4. After correspondence with department staff in October 2020, Noblr implemented a process to identify applicants whose lapse in insurance coverage is not associated with unlawful vehicle operation. Prior to that implementation, Noblr was using lapses between 1 and 30 days in determining the policyholder's underwriting level.
5. Noblr completed a remediation process by rerating the impacted policies and providing refunds or premium credits in the amount of \$340,504 to policyholders. Noblr provided the department with a report detailing the remediation on August 1, 2022.

### Conclusions of Law


1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, and Chapter 942.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. Noblr has knowingly and voluntarily waived all procedural rights to which it may be entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Noblr violated 28 TEX. ADMIN. CODE § 5.401 by assigning a rate consequence to an applicant's lack of prior insurance of not more than 30 days when the applicant had not been operating an uninsured motor vehicle in the state.

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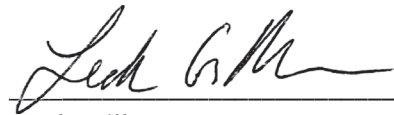
It is ordered that Noblr Reciprocal Exchange pay an administrative penalty of \$22,500 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

DocuSigned by:  
  
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Cassie Brown  
Commissioner of Insurance

Recommended and reviewed by:



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Leah Gillum, Deputy Commissioner  
Fraud and Enforcement Division



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Whitney Fraser, Director  
Enforcement

Affidavit

STATE OF CALIFORNIA §

§

COUNTY OF SAN FRANCISCO §

Before me, the undersigned authority, personally appeared JASON PAUL FOUCHER, who being by me duly sworn, deposed as follows:

"My name is JASON PAUL FOUCHER. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of PRESIDENT and am the authorized representative of Noblr Reciprocal Exchange. I am duly authorized by said organization to execute this statement.

Noblr Reciprocal Exchange has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

[Signature]  
Affiant

SWORN TO AND SUBSCRIBED before me on 26<sup>th</sup>, August, 2022.

(NOTARY SEAL)

[Signature]  
Signature of Notary Public

Thomas Boyle  
Printed Name of Notary Public

