

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **SAFECO Insurance Company**) **STIPULATION** and
of **Oregon**) **FINAL ORDER**
) Case No. INS 06-10-001

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against SAFECO Insurance Company of Oregon (SAFECO).

SAFECO desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

SAFECO waives all rights relative to an administrative hearing and judicial review thereof.

SAFECO stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

SAFECO has been licensed in Oregon as a domestic insurer 11/29/00. SAFECO's last recorded principal business address is located in Seattle, Washington.

Filed Actuarial Opinion Late

SAFECO is subject to enforcement action pursuant to ORS 731.574(1) because of the following circumstances. ORS 731.574(1) requires a person who is licensed in Oregon as an insurer to file with the director an annual financial statement, and permits the director to require such person to file additional information. OAR 836-011-0000(3) requires the insurer to file certain types of additional information, each called a supplement, as specified in the applicable National Association of Insurance Commissioners (NAIC) annual statement instructions and in accordance

with such instructions. One supplement is called an actuarial opinion. An actuarial opinion is required to be filed by March 1 of each year for the previous year. SAFECO was required to file its actuarial opinion for 2005 by 3/1/06. However, SAFECO filed its actuarial opinion on 3/9/06, eight days late.

Action

Pursuant to ORS 731.988, SAFECO is assessed a civil penalty of \$500. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE, Room 440 (4th Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated October 25, 2006

/s/ Laura M. Murphy
[Signature of Representative]

Laura M. Murphy
[Printed Name of Representative]
Vice President
[Printed Title of Representative]

SAFECO Insurance Company of Oregon

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated November 16, 2006

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services

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