

FEB 1 2011

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

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In the Matter of:)
)
SAFECO INSURANCE COMPANY OF ILLINOIS,)
(NAIC # 39012))
)
Respondent.)
_____)

No. 11A-017- INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Safeco Insurance Company of Illinois** may have violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Safeco Insurance Company of Illinois ("Safeco" or "Respondent") at all material times held a certificate of authority to transact insurance as a property and casualty insurer in Arizona.

2. From January 1, 2009 through December 31, 2009, Safeco non-renewed ten (10) motorcycle insurance policies issued to Arizona policyholders that had been in effect for more than sixty (60 days) at the time the notice of non-renewal was mailed for reasons not permitted by statute.

3. From January 1, 2009 through December 31, 2009, Safeco non-renewed three (3) motorcycle insurance policies issued to Arizona policyholders due to the termination of the insurance producer's contract.

...

1 **ORDER**

2 **IT IS ORDERED THAT:**

3 1. Safeco shall cease and desist non-renewing motorcycle policies for reasons not
4 permitted by A.R.S. §20-443.

5 2. Safeco shall pay a civil penalty of \$15,000.00 to the Director for deposit into the
6 State General Fund.

7 DATED AND EFFECTIVE this 31st day of January, 2011.

8 
9 _____
10 CHRISTINA URIAS
11 Director of Insurance

12 **CONSENT TO ORDER**

13 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
14 and Order.

15 2. Respondent admits the jurisdiction of the Director of Insurance, State of
16 Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing
17 Conclusions of Law and Order.

18 3. Respondent is aware of its right to notice and a hearing at which it may be
19 represented by counsel, present evidence and examine witnesses. Respondent irrevocably
20 waives its right to such notice and hearing and to any court appeals relating to this Consent
21 Order.

22 4. Respondent states that no promise of any kind or nature whatsoever, except as
23 expressly contained in this Consent Order, was made to it to induce it to enter into this
Consent Order and that it has entered into this Consent Order voluntarily.

1 5. Respondent acknowledges that the acceptance of this Consent Order by the
2 Director is solely to settle this matter against it and does not preclude any other agency,
3 officer, or subdivision of this state including the Department from instituting civil or criminal
4 proceedings as may be appropriate now or in the future not related to this matter.

5 6. Respondent acknowledges that this Consent Order and its content is a public
6 record.

7 7. Patty McCollum represents that she is the Assistant Vice President of Safeco
8 Insurance Company of Illinois and, as such, is authorized to enter this Consent Order on its
9 behalf.

10
11 1-19-2011
12 Date

 SAFECO INSURANCE COMPANY OF ILLINOIS
13 By : Patty McCollum
 Patty McCollum, Assistant Vice President

13 COPIES of the foregoing mailed/delivered
14 this 1st day of February, 2011, to:

15 Safeco Insurance Company of Illinois
16 c/o Patty McCollum, Assistant Vice President
17 Suite 2700, 1001 Fourth Avenue
18 Seattle, WA 98154
19 Respondent

20 Mary E. Kosinski, Executive Assistant for Regulatory Affairs
21 Mary Butterfield, Assistant Director
22 Catherine M. O'Neil, Consumer Legal Affairs Officer
23 Steve Ferguson, Financial Affairs Division
24 Maria Chavira, Market Oversight Division
25 Department of Insurance
26 2910 North 44th Street, Suite 210
27 Phoenix, Arizona 85018

28 Curvey Walkers Burton
29 Curvey Walkers Burton