

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
SAFECO INSURANCE
COMPANY OF AMERICA

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CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

SAFECO INSURANCE COMPANY OF AMERICA ("SAFECO"), whose address of record is 175 Berkeley St, Boston, MA 02116, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

SAFECO is aware that the South Dakota Division of Insurance (Division) has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) SAFECO failed to effectively communicate to the insureds the requirements to maintain their policy with SAFECO, in violation of SDCL 58-33-6;
- 2) The South Dakota Division of Insurance alleges the above-cited conduct may be grounds for the revocation or suspension of SAFECO's certificate of authority pursuant to SDCL 58-6-46;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, SAFECO waives its right to contest the allegations contained in this Consent Order;

SAFECO is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for SAFECO agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL 1-26-20;

SAFECO agrees to a monetary penalty in the amount of \$20,000 pursuant to SDCL 58-4-28.1, in lieu of contesting this matter formally;

SAFECO further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

SAFECO further agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

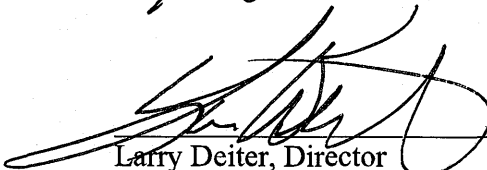
Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that SAFECO pay a monetary penalty in the amount of \$20,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and SAFECO further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota; and it is further

ORDERED that should SAFECO fail to comply with the provisions of this Order, the South Dakota Division of Insurance may seek the suspension or revocation of SAFECO's Certificate of Authority at hearing pursuant to SDCL 58-6-46, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 5th day of August, 2025.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of SAFECO, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 22 day of July, 2025.

Caroline Kent

Signature of Authorized Representative

Caroline Kent

Printed Name

Director, Product Analysis

Title