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2	SARA AHN (SBN 292206) CALIFORNIA DEPARTMENT OF INSURANCE				
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6					
7	Attorneys for the California Department of Insurance				
8	DEFORE THE INCURANCE COMMISSIONER				
9	BEFORE THE INSURANCE COMMISSIONER				
10	OF THE STATE OF CALIFORNIA				
11		E'1. N. DA 2022 00012			
12		File No. PA-2023-00012			
13	STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY, SETTLEMENT STIPULATION				
14	Applicant.				
15					
16	Applicant STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY				
17	("Applicant"), Intervenor CONSUMER WATCHE	OG ("Petitioner"), and the Department of			
18	Insurance ("Department"; collectively, "Parties") s	tipulate as follows:			
19	RECITA	ALS			
20	A. The Applicant is licensed by the Dep	partment to conduct insurance business in			
21	California.				
22	B. On March 31, 2023, Applicant filed	a Rate Application with the Department			
23	seeking approval of an overall 24.6 percent rate increase to its Private Passenger Auto line of				
24	insurance (File No. 23-890 ["Application"]).				
25	C. On May 26, 2023, the Department notified the public of the Application pursuant				
26	to Insurance Code section 1861.05, subdivision (c).				
27	D. On July 10, 2023, Petitioner submitt	D. On July 10, 2023, Petitioner submitted a timely Petition for Hearing, Petition to			
28	Intervene, and Notice of Intent to Seek Compensation regarding the Application (collectively,				
	#1420197				

"Petition").

- E. On July 27, 2023, Applicant responded to the Petition.
- F. On August 7, 2023, the Commissioner granted the Petition to Intervene.
- G. The Parties have engaged in discussions regarding the Application and additional information and analysis the Parties have provided.
- H. As a result of the Parties' discussions and negotiations, Applicant has updated the Application per the Parties' agreement.

STIPULATION

- 1. This Stipulation, together with the updated Application and the Commissioner's approval in SERFF, represents the complete and final settlement resolving all issues between the Parties regarding the Application.
- 2. Based upon the Application and additional information provided by the Parties, the Parties agree that an overall rate increase of 21.0 percent to Applicant's California Private Passenger Auto line of insurance (by coverage 22.2 percent for bodily injury/property damage, 22.2 percent for medical payments, 15 percent for uninsured motorist, 26.6 percent for comprehensive, 19 percent for collision, 21.3 percent for miscellaneous damage, and -9.6 percent for miscellaneous liability) complies with the applicable laws and regulations, and results in rates that are not excessive, not inadequate, and not unfairly discriminatory. Applicant has made appropriate updated filings in SERFF to reflect the overall rate change. Approval of the Application described in this Stipulation will only be effective when approved by the Commissioner in SERFF. Applicant will implement this rate change with an effective date of February 26, 2024 in accordance with this Stipulation, the updated Application, and the Commissioner's approval in SERFF.
- 3. In the event that Applicant submits a new rate increase application for its Private Passenger Auto line, it agrees that the effective date for such application will be no earlier than August 26, 2024. As used herein, "effective date" means the first date on which premiums calculated at a new, approved rate are due.
 - 4. Applicant agrees that it will reactivate its quote system for California available

through the internet, as it operated in California as of November 21, 2022. The system will be 1 2 reactivated on or before February 26, 2024. 3 5. This Stipulation does not constitute an endorsement or approval of models 4 generally, or any specific model, eligibility or nonrenewal criteria, or rating methodology. 5 6. Consistent with Title 10 of the California Code of Regulations ("10 CCR") 6 sections 2656.1(b) and 2662.3(c), no agreement regarding Petitioner's compensation has been 7 made. However, the Parties agree that the Commissioner's approval of the Application, 8 consistent with this Stipulation, will be a decision or order within the meaning of Insurance Code 9 section 1861.10, subdivision (b). Petitioner agrees to submit any request for compensation to the 10 Public Advisor within 30 days after notice of the Commissioner's approval in SERFF. 11 7. Petitioner will withdraw its Petition for Hearing within 10 days after notice of the 12 Commissioner's approval in SERFF. 13 8. This Stipulation is made solely to reach a compromise among the Parties. All 14 Parties expressly reserve the right to raise any of their arguments or positions in future matters. 15 9. The Commissioner retains jurisdiction to ensure that the Parties comply with this 16 Stipulation and the updated Application and the Commissioner's approval in SERFF. 17 10. This Stipulation may be executed in counterparts. 18 19 [SIGNATURES ON NEXT PAGE] 20 //// 21 //// 22 //// 23 //// 24 //// 25 //// 26 27 28

#1420197

1	Dated: December 21, 2023	HOGAN LOVELLS US, LLP
2		and Went
3		By: Vanessa Wells
4		Attorneys for Applicant
5		State Farm Mutual Automobile Insurance Company
6	Dated:	CONSUMER WATCHDOG
7		
8		
9		By:
10		
11	Dated:	CALIFORNIA DEPARTMENT OF INSURANCE
12		I (Soft I (OZ
13		
14		By: Nikki S. McKennedy
15		Attorneys for the California Department of Insurance
16		Thom and
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1	Dated:	HOGAN LOVELLS US, LLP
2		
3		By:
4		Vanessa Wells
5		Attorneys for Applicant State Farm Mutual Automobile Insurance
6		Company
7	Dated: 12/21/23	CONSUMER WATCHDOG
8		D + 1/
9		By: Su and
10		Benjamin Powell Consumer Watchdog
11	Dated:	CALIFORNIA DEPARTMENT OF
12	Dated:	INSURANCE
13		
14		By:
15		Nikki S. McKennedy Attorneys for the California Department of
16		Insurance
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1 PROOF OF SERVICE In the Matter of the Rate Application of 2 Sate Farm Mutual Automobile Insurance Company, Applicant. **CDI File No. PA-2023-00012** 3 (RRB FILE No. 23-890) 4 I am over the age of eighteen years and am not a party to the within action. I am an employee of the Department of Insurance, State of California, employed at 1901 Harrison Street, 5 4th Floor, Oakland, CA 94612. On December 22, 2023, I served the following document(s): 6 SETTLEMENT STIPULATION 7 on all persons named on the attached Service List, by the method of service indicated, as follows: 8 If U.S. MAIL is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items to be sent by mail, 9 pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for mailing by U.S. Mail. Under that practice, 10 outgoing items are deposited, in the ordinary course of business, with the U.S. Postal Service on that same day, with postage fully prepaid, in the city and county of San Francisco, California. 11 If **OVERNIGHT SERVICE** is indicated, by placing on this date, true copies in sealed 12 envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items for overnight delivery, pursuant to Code of Civil Procedure Section 1013. I am familiar 13 with this office's practice of collecting and processing documents placed for overnight delivery. Under that practice, outgoing items are deposited, in the ordinary course of business, with an 14 authorized courier or a facility regularly maintained by one of the following overnight services in the city and county of San Francisco, California: Express Mail, UPS, Federal Express, or Golden 15 State overnight service, with an active account number shown for payment. 16 If FAX SERVICE is indicated, by facsimile transmission this date to fax number stated for the person(s) so marked. 17 If **PERSONAL SERVICE** is indicated, by hand delivery this date. 18 If INTRA-AGENCY MAIL is indicated, by placing this date in a place designated for collection 19 for delivery by Department of Insurance intra-agency mail. 20 If **EMAIL** is indicated, by electronic mail transmission this date to the email address(es) listed. 21 Executed this date at San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the above is true and correct. 22 23 24 Cecilia Padua 25 26 27 28

In the Matter of the Rate Application of Sate Farm Mutual Automobile Insurance Company, Applicant. CDI File No. PA-2023-00012 (RRB FILE No. 23-890)

_	(RRB FILE NO. 23-890)				
3					
4	Name/Address	Phone/Fax Numbers	Method of Service		
5	Vanessa O. Wells, Esq.	Tel: (650) 463-4000	Via EMAIL		
6	Victoria C. Brown, Esq. Attorney(s) for Applicant	Fax: (650) 463-4199			
7	HOGAN LOVELLS US LLP 855 Main Street, Suite 200				
8	Redwood City, CA 94063				
9	Vanessa.wells@hoganlovells.com Victoria.brown@hoganlovells.com				
10	Laura Campbell	Tel: (309) 763-6082	Via EMAIL		
11	Pricing Manager STATE FARM MUTUAL	Fax: (309) 766-0225			
12	AUTOMOBILE INSURANCE CO.				
13	One State Farm Plaza Bloomington, IL 61710-0001				
14	Laura.campbell.r20d@statefarm.com				
15	Harvey Rosenfield, Esq.	Tel: (310) 392-0522	Via EMAIL		
16	Pamela Pressley, Esq. Daniel L. Sternberg, Esq.	Fax: (310) 392-8874			
17	Ryan Mellino, Esq.				
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19	Los Angeles, CA 90048 harvey@consumerwatchdog.org				
20	pam@consumerwatchdog.org dannv@consumerwatchdog.or				
21	ryan@consumerwatchdog.org				
22					
23	NON PARTIES				
24	Kenneth Allen	Tel: (213) 346-6783	Via EMAIL		
25	Deputy Commissioner Rate Regulation Branch	Fax: (213) 897-9051			
26	CALIFORNIA DEPARTMENT OF				
27	INSURANCE 300 South Spring Street, 14 th Floor				
28	Los Angeles, CA 90013 ken.allen@insurance.ca.gov				
	non.unon(w/mourumoc.ou.gov				

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Jon Phenix, Esq. Tel: (916) 492-3705 Via EMAIL Staff Counsel III & Public Advisor Fax: (510) 238-7830 Office of the Special Counsel CALIFORNIA DEPARTMENT OF INSURANCE 300 Capitol Mall, 17th Floor Sacramento, CA 95814 Jon.phenix@insurance.ca.gov